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REPORT

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OF

A COMMITTEE OF THE CITIZENS

OF

BOSTON AND VICINITY,

OPPOSED TO

A FURTHER INCREASE OF DUTIES

ON

IMPORTATIONS.

BOSTON :

FROM THE PRESS OF NATHAN HALE.

No. 6, Congress Street.

1827.



At an adjourned meeting of the Citizens of Boston, assembled to take into consideration the proposed increase of duties, especially upon Woollen Goods, the Committee heretofore appointed, having had the subject under consideration, ask leave to submit the following

REPORT:

THAT they have had various meetings upon the subject referred to them, and, as far as their means of information would permit, have collected a variety of facts, and taken such views of the subject, as appeared to them best calculated to illustrate the impolicy and injustice of any further increase of the existing burthensome duties on imported articles, and especially the injurious consequences to the community at large, of further duties on imported Woollen Goods. These facts, views and illustrations are embodied in the form of a more extended report, which is herewith submitted. Your Committee are aware of the peculiarly difficult position, in which this question is now placed, by the accidental, if not designed connexion of this subject, under the specious name of the American System, with certain controverted political questions, between which and that system, your Committee believe there is no natural or necessary relation. On this ground, and considering how widely many of the citizens of the United States are divided upon those questions, and the injurious influence which party zeal and political prejudice are likely to exert upon a question which ought to be dispassionately considered and decided upon its own merits, your Committee have hesitated in deciding whether it is expedient at the present time to bring the subject before the public. But considering the importance at all times of establishing just and sound principles of general policy, of counteracting those erroneous impressions, which might be made by misrepresentations often repeated and never questioned or corrected, of endeavouring to enlighten the public mind to the true state of the question, and as far as can be done by collecting and presenting useful information, to give a right tone to public opinion and a right direction to public measures, without regard to the question, what men shall preside or what party shall predominate in the councils of the nation; and considering also the importance of shewing that the general voice of New England is not in favour of the restrictive and prohibitory system, your Committee

have thought it advisable at least, that a full, deliberate and dispassionate exhibition of the views of those opposed to that system, should be brought before the public, at the present time ; and that a temperate Memorial, expressive of these views, should be laid before Congress at the ensuing season. They have therefore prepared the draft of a Memorial for that purpose, which is herewith submitted. In conclusion, they respectfully recommend the adoption of the following Resolutions :

Resolved, That in the present state of the Agriculture, Manufactures and Commerce of the United States, it would be unjust, impolitic, and inconsistent with the best interests of the community, to impose further and higher duties upon imported articles generally, and more particularly upon imported Woollen Goods.

Resolved, That a Memorial to Congress, expressive of these views, be submitted to those citizens who concur in them, for their signature ; and that the Committee heretofore appointed, be requested to circulate such Memorial, and, to cause the same, when signed, to be presented.

Resolved, That the more extended Report herewith presented, be printed under the direction of the same Committee, for the use of the members of this meeting, and for the information of the citizens generally, and that the Committee cause the same to be distributed in such manner as they may judge best calculated to promote the views of this meeting.

Which is respectfully submitted by the Committee.

NATHANIEL GODDARD,	}	COMMITTEE.
LEMUEL SHAW,		
ISAAC WINSLOW,		
WILLIAM GODDARD,		
ENOCH SILSBY,		
THOMAS W. WARD,		
EDWARD CRUFT,		
LOT WHEELWRIGHT,		
HENRY LEE,		
R. D. SHEPHERD,		
SAMUEL SWETT,		
WILLIAM FOSTER,		
DANIEL P. PARKER,		
JOSEPH BAKER,		
SAMUEL C. GRAY,		

This Report was unanimously adopted by the meeting.

Voted, That the Committee be requested to carry the above Resolutions into effect, and to correspond with gentlemen in other parts of the country, inviting their co-operation.

NATHANIEL GODDARD, *Chairman.*

WILLIAM HALES, *Secretary.*

Boston, November 30, 1827.

REPORT.

Your Committee beg leave to report, that in the duty assigned them they have thought proper to confine their attention, (as the best means of accomplishing the end of their appointment,) to an examination of the claims of the Manufacturers, to the contemplated increase of the duties on woollens, and the effects which may be expected to follow, on the attainment of that object. We are not unmindful, that what we are about to say, may lay us open to those charges, which are constantly made, either directly or by implication, against all the opponents of the prohibitory system, as enemies to domestic industry,* hostile to the "American System," as influenced by a spirit of faction towards the government—and †"united with others in endeavours to defeat the re-election of the present chief Magistrate." We shall not however be deterred on that account, from expressing our views on this subject, in the hope, if we do nothing more, of rescuing ourselves from the imputation of being classed among the supporters of an unwise and unjust policy. We deny however in the most distinct and unreserved manner any such motives, which may be attributed to us. The subject we are about to discuss, has in reality no connection whatever, with the question to which we have alluded, and we regret, that party men for purposes of their own, and in utter disregard to the interests of their immediate constituents, and still more so, to the national peace and welfare, should have mingled them together. The success or failure of the candidate for the Presidency, may be of great moment to the country, and still greater, to those partizans whose political fortunes are depending on that event; but to the nation at large, the evil or the good, which may arise out of the choice of the one, or the rejection of the other, can only be of a temporary and limited importance compared with the wise and just disposition of a question on which our whole foreign and domestic policy turns, and which may, in its consequences, affect the stability and happiness of the union, for ages to come. We know there are many, who, agreeing with us, in our general views of the subject, will say we over-rate its impor-

* Boston Circular Committee Woollen Manufacturers. Nov. 11th, 1826.

† Clay's Letter to Maysville Committee. July 4th, 1827.

tance, but they come to this conclusion we think, because they will not examine the nature and present state of the question, and its future consequences.

We deny also, any thing like hostility to the manufacturing interests. It would indeed evince a most extraordinary degree of folly, if any one in this quarter, should entertain such a sentiment towards an interest, which in all its branches involves such a vast amount of capital and labour, as to affect the welfare of every man in the community, whatever may be his condition, or circumstances; and it would be still more absurd to imagine such feelings should exist, in a committee, part of whom are themselves manufacturers, and they again representing an assembly containing some of the most wealthy and intelligent of that class. It is not then so much a question of being friendly or unfriendly to manufactures, as a question of resisting absurd and unjust expedients for promoting them. We not only disavow all unfriendly feelings to manufactures, but we profess not to yield to the most zealous of their advocates, in an estimate of the benefits which may be anticipated from their extension and success. We consider them as furnishing one of the great staple employments for the skill, capital and labour of New England, standing at this moment second in importance to agriculture, but prospectively of still greater consequence; and of all the various branches of them, we deem that of woollens the most advantageous, first, because of its magnitude—again, because in comparison with cottons and many others, it depends more on manual labour, of which compared with other sections of the country we have a superfluity. Still more, as it promotes the growth of a staple, peculiarly suited to the soil of New England. It is on that very account, we are desirous of seeing this manufacture placed on a solid and permanent footing—to see it extend and flourish, not however by legislative contrivances, but by that increase of skill and capital, which we are fast attaining, and the want of which, as we conceive, now constitutes the only obstacle to its success, under a lower duty than it now enjoys. We repeat, we desire most earnestly, that woollen and all other manufactures may succeed, not by violent unwholesome stimulants, which serve rather to exhaust, than nourish them, not by a system of excessive and unjust taxation, which many of the most intelligent manufacturers themselves neither think just nor necessary, but by such reasonable encouragement as will be cheerfully borne, in those sections of the country not immediately benefitted by them. We are anxious to see manufactures placed on that ground, which will cause them to be held in equal favour, with all the other great branches of industry, and like them to rest on the skill and industry of those who are engaged in those pursuits, and not on governmental bounties, which impose heavy burdens on one portion of the nation, for the benefit of another, and which will serve to make the very name of *domestic manufactures*, hateful to those on whom we must chiefly depend for their consumption, and support.

This then is a question of national policy, and stands disconnected in our minds, from all considerations of parties. It has no relation to the great question, which now divides the country, and must be argued and settled on its own merits, without reference to any thing but the general welfare.

It is, as all must admit, a question of great moment in itself, more especially to the poor and middling ranks, as affecting essentially the cost of one of the first necessities of life—*next in value and importance to bread itself*; but of far greater consequence, as leading to the adoption and establishment of a system of restrictions, and prohibitions, not only at variance with that liberal and sound policy, coeval with our national existence, and under which we flourished in the most unexampled degree, but wholly inconsistent with the principles of our free constitution.

The avowed object of the woollen manufacturers as evinced in their memorials and other publications, and as still more forcibly manifested in the tariff which passed the House of Representatives, the last Session of Congress, is to protect themselves by a tax of from 38 per cent to 139 per cent, on the nation at large, against all foreign competition. The injustice of such pretensions, is so obvious, that it seems needless to comment on them; and the woollen manufacturers themselves were so much alive to this in other cases, that with an inconsistency frequently exhibited by men, eager in pursuit of their own interests, and regardless of those of all others, that at the very moment, they were calling for this enormous duty in their own favour, they resisted a small addition on hemp and iron, articles more necessary to the national security, than their own, and which, with the required increase, would then have stood at less rates of duties, than woollens now enjoy. This fact is on record, and has been remarked upon, at various meetings, held for the promotion of manufactures, since the adjournment of congress, and by men, who were themselves friendly to further protecting duties.

We believe the wool-growers themselves, whose interests the manufacturers affect so much anxiety to promote, have no better reason to be satisfied with their treatment; at least, that portion of them, who are acquainted with the views and proceedings, of their representatives in Congress.

That the interests of the sheep farmer were abandoned, has been asserted by Mr. Buchanan, Mr. Stevenson, and other members of Congress, some of whom were friendly to further protecting duties, and this has been confirmed by the public declarations of some of the most intelligent men extensively engaged in that branch of agriculture, and indeed, must be apparent to every one who examines the provisions of the Woollen Bill.

It must not however be understood, that we advocate more duties on Wool or any other articles; our object is to show the exclusive spirit which governs the movements of the woollen manufacturers.

The language they hold while seeking to obtain the aid of other manufacturers, is, "prohibit all articles which can be procured at home;" but the application of this principle, they would confine to their own benefit.

We are aware, that the woollen manufacturers have had the address to identify in appearance, their interests with those of the manufacturing classes generally; but those who have attended to their proceedings as well as professions, must, we think, be convinced, that it is as much for the advantage of all other manufacturers, to resist the pretensions of this favoured body, as it is for the farmer, merchant, mechanic, labourer and citizens generally, whose interests will all be deeply injured, by yielding to their demands.

The supporters and partizans of the prohibitory policy have, as it is well known, endeavoured to prepossess the public mind in their favour, by circulating a great number of publications, and filling, for twelve months past, nearly all the newspapers of New England, with the most exaggerated statements, and plausible arguments, read and repeated, in town and county meetings, in conventions, in congress and elsewhere, and urged, we must say with a zeal and violence, uncommon in men conscious of a just cause,—while on the other hand, very little has been done in this quarter, to place the merits of the case fairly before the public, disembarassed of those fallacies and misrepresentations, with which its artful advocates have surrounded it.

Your Committee have read with much attention, those memorials, speeches, essays and other publications on the subject which appeared most worthy of notice, and submit their remarks on such statements and arguments, as have the strongest bearing on the question, and on which the Woollen Manufacturers themselves, appear chiefly to rely, for the support of their extravagant, and as appears to us, unjust demands.

SECTION 1. The American woollen manufacturers contend, that the British manufacturers, with the advantage of larger capitals, more perfect machinery, lower price of labour and materials, and a greater experience and skill, are enabled to undersell them, notwithstanding the protecting charges of 57 per cent which they now enjoy against foreign importations; and they in consequence, ask for a further increase of duty, which would carry the rate to an average perhaps of 80 per cent, and make the whole protecting charges 99 per cent. If what is here alleged be true, to the extent they would have us infer, there cannot be imagined any stronger arguments, against engaging in a competition so entirely hopeless; and the manufacturers who must generally have been as well acquainted with all these circumstances ten years ago, as they now are, have shewn an unwarrantable degree of imprudence, in extending their business from ten millions to forty millions of dollars, as they assert they have done, since 1816.

While however the Committee are ready to admit, that British manufacturers have advantages over ours, they deny that the introduction of this branch of business was effected principally by high duties, or if we may judge from experience, that the present rate of 38 per cent is necessary to their existence and success.

Without going back to the early history of our country, the Committee find on reference to official reports that the average export of woollens from England to the United States from 1790 to 1794, was £1377,951 2 5, or 6,124,228 dollars, which with the then moderate duty of five per cent, and the other charges, would perhaps make the cost to the consumers 7,500,000 dollars. Our population within those periods, averaged 4,500,000, and allowing the consumption at six dollars a head, the whole amount consumed, would be 27,000,000 dollars, of which only 7,500,000 were foreign cloths. There may have been a small importation from the rest of Europe, but certainly less than the amount of British woollens re-exported. Thus it appears, that under the tariff of 1790, imposing a duty of five per cent, subsequently increased, but for revenue only, to seven and a half, twelve and a half and fifteen per cent, we manufactured with certainly much less skill, and not one fifth of our present wealth, three quarters of all the woollens we consumed. This was not done by incorporated companies, with capitals of a quarter or half a million of dollars, but by small manufacturers, and industrious farmers, who made no complaints of the want of protecting duties, in those hours of leisure, which could be spared from the more active labours of the field.

We have then very satisfactory evidence, that this important manufacture is in no danger of going to decay, even should we return to the former system of moderate duties.

That the woollen manufacturers in common, with many others, are now in a less prosperous condition than heretofore, must be a matter of regret to all of us, but this neither furnishes a claim to a further protecting duty, nor proves the necessity of it. If they have lost by their business within the last year or two, is their situation in this respect at all peculiar? Have not the agricultural, the mercantile and shipping interests been distressed also? Their losses have not probably exceeded those of other classes, and they have arisen generally from the same causes—imprudence, and want of skill; and in part perhaps from those revulsions in trade, which no sagacity can foresee, and no prudence entirely guard against.

If the woollen manufacturers have had more than a common share of the evils incident to all enterprises, may they not more justly be attributed to that sudden and enormous extension of their business, occasioned partly perhaps by former gains, but principally by the injudicious augmentation of duty in 1824, than by any want of sufficient protecting duty?

The remedy is, a return to a more prudent and skilful manage-

ment, such as others are compelled to adopt, and not the increase of a bounty, which already imposes too heavy a burden on the nation. We have no apprehension that this great and interesting branch of manufactures, which existed and increased under a duty less than one sixth of what it now enjoys, and under much less favourable circumstances in other respects, furnished three quarters of all the woollens we consumed, is exposed to any of the dangers, its over-zealous advocates imagine.

SECTION 2. The woollen manufacturers assert, that by the alteration in the tariff of 1824, which was intended to afford them additional protection, they lost more by the increased duty on wool, than they gained by the increased duty on woollens, and thus the object of the law as regarded them was defeated. They also give us to infer from many of their memorials and other publications, that the high duty on wool counter-balances in a great degree the duties on woollens. This they appear to put forth as one of their strong points, and as in some measure affording them a claim on the justice of the government for more duties, and from their representation of it, have gained many supporters among the most intelligent and disinterested portion of the community. An examination into facts, will prove its incorrectness.

The Committee find on reference to the Treasury Report, ending the 30th September 1825, that the import of woollens for 1825, amounted to 10,876,873 dollars; paying duties to the amount of 3,660,755 dollars. By the same document, it appears that the cost of wool imported was 569,476 dollars, and the duty on it 179,091 dollars; of this amount, 85,127 1-2 dollars, is the increased duty under the tariff of 1824. There is no means of ascertaining exactly the portion of duties on woollens occasioned by the new tariff, but as there was an addition of from 8 1-3 per cent to 25 per cent on more than two-thirds of our importation, it will be within bounds to take it at one fifth of the whole duty, making 732,151 dollars. Thus it is clearly proved, that for the increased duty on wool imposed in 1824, and of which they complain so much, there was an increased duty on woollens of more than eight times the extent; the whole duty on wool which they represent as almost balancing the duty on woollens, being only 179,091 1-3 dollars, against 3,660,755 dollars, on imported woollens. The real truth is, as will appear more fully hereafter, we require very little wool from abroad, and the amount, small as it was in 1825, is still less in 1826; having as has been stated in debates on the subject, fallen to 449,725 dollars.

Here is a plain statement founded on documents accessible to every one. We beg leave to call on those who feel an interest in the subject, to give it a strict examination, and more especially the too confiding wool-grower, who has been prevailed upon to advocate the prohibitory system under the delusive hope that he is to share equally in its benefits, with the manufacturer. For the small advan-

tage he now gains, the sheep farmer pays under the existing tariff thirty-eight dollars on every one hundred dollars worth of woollens he uses; and under the contemplated one, it will be more than double.

SECTION 3. The manufacturers complain of the great disadvantage they labour under, in being obliged to use so large a proportion of foreign wool, burdened as it is with a heavy duty. Some of them dealing in general terms, leave it to be inferred, that from one quarter to one half the material which is used, is foreign.

The Providence Memorial, an authority we refer to, because it will be respected by the manufacturers, is more precise, and that we may not be accused of unfairness, we quote their own words. "The price of domestic wool, having been very considerably enhanced by the operation of the increased duty upon imported wool, and the former having proved sufficient to supply only *one half the quantity required* for the mills now in operation, the manufacturers of the United States have been labouring under great disadvantages, in competition with the manufacturers of foreign countries." What were the motives which could induce men selected we presume for their intelligence and character to publish an assertion so much at variance with facts, is not our business to decide; we hope however it was from ignorance of the subject on which they undertook to enlighten our Government. Whatever may have been their reasons, the effect of this statement, supported as it is, by many other publications, has been to mislead the public mind, and to draw to the support of the manufacturers' pretensions, many who would otherwise have joined in resisting them.

The Committee find on referring to the before named document, that the amount of wool imported in 1825 was 569,476 dollars, of which 53,550 dollars having paid the 15 per cent duty, must have cost 10 cents a pound or under, and the balance must have been in wool costing above that price.

The low duty wool comes chiefly from Turkey, the North of Europe, and South America. The finer qualities from Spain, Portugal, England and Germany.

Assuming the cost of the low wool at 8 cents,	}	669,375 lbs
\$53,550 would purchase, paying 15 per ct. duty,		
Assuming the finer sorts at 60 cents per pound,	}	859,877 lbs.
\$515,926 would purchase, paying 30 per cent duty,		

Total number of pounds as estimated,	1,529,252 lbs
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As there is no return of weight, it is impossible to ascertain in any other way than the one we have adopted, the quantity. The low wool cannot vary ten per cent from our estimate, one way or the other, and if we have over or under-valued that and the fine sorts,

the quantity may vary from 300,000 to 400,000 pounds ; but this can be of little importance in the whole quantity in question ; we shall say then that from the Custom House returns, the import of foreign wool could not not have been less than a million and a quarter of pounds, nor more than 2,000,000 pounds for 1825. And if we judge by the cost, must have been something less in 1826. This however would depend on what proportion of it cost 10 cents per pound and under.

To estimate the quantity of domestic wool, is more a matter of conjecture, yet there are data, and we will take them chiefly from such authorities as will be most likely to command the confidence of the manufacturers.

The number of sheep in the United States in 1826, is estimated by Mr. Niles at 15,000,000, and in this Mr. Davis, member of congress, and others versed in the subject, agree. Pitkin reckoned the number in 1816 at from 12 to 15,000,000 ; now if we estimate the average produce of each sheep 2 1-2 pounds, they give 37,500,000 pounds ; to which add the imported, and we have 39 to 40,000,000 pounds for our annual consumption. As a corroboration of this estimate, we find Mr. Mallary, Chairman of the Committee on Manufactures, and some other members of congress, stated the consumption of wool to be 40,000,000 pounds, and valued it at about 11,000,000 dollars. The consumption in Great Britain has been stated by Mr. Huskisson at 160,000,000 pounds. The Committee believe 40,000,000 too low an estimate, but they are willing to admit it, to avoid all appearance of exaggeration. If then, we are correct in our statements, and the most important items are susceptible of arithmetical demonstrations, there result the following important inferences.

1. That the manufacturers are supplied almost to the full extent of their demands by domestic wool ; and that the imported sorts, are all or nearly all, either inferior or superior to the home raised qualities, and consequently do not come much in competition with them ; and cannot therefore as has been asserted, have much effect in regulating the prices of the domestic wool.

2. That the proportion of foreign wool as compared with the domestic used by the manufacturers, is only about 4 or 5 per cent, instead of 25 to 50 per cent as they have represented, and that consequently, the dearness of foreign wool does not bear heavy on them, and cannot be justly considered as among the principal causes of their failure.

3. That the wool growers having already possession of the home market, to nearly the full extent of what is consumed, they cannot be benefitted materially by any further duties on wool. While on the other hand, they now pay a heavy tax of 38 per cent on all the cloths they consume, and in the contemplated tariff, it is to be raised 38 per cent on fine, and 139 per cent on the inferior qualities ; thus

imposing a tax increasing not in proportion to the wealth, *but to the poverty of the consumer.*

4. That admitting the whole quantity of wool consumed to be imported, the protecting duties which the manufacturer would then pay on wool, as compared with the protecting duties they now receive on woollens, would stand thus :

The duties are nominally 15 and 30 per cent ; in fact, 17 and 34 per cent, the average 25 1-2 per cent ; but as the principal amount of what is consumed pays the high duty, it may perhaps be correct, to call the average duty 28 per cent. The cost of foreign wool, such as we use, is estimated by Mr. Davis, Mr. Everett and others, in their elaborate arguments in favour of the prohibitory duties on woollens, at 20 cents a pound. The quantity consumed being as supposed 40,000,000 pounds; the duty, at 28 per cent on wool costing 20 cents a pound, would be 2,240,000 dollars.

The consumption of woollens, has been estimated by Mr. Barney and other manufacturing authorities, at from 80 to 100,000,000 dollars per annum. In England it has been estimated by Low at about 10 dollars a head for the whole population.

Our population is estimated by the manufacturers at 12,500,000. We reduce it to 12,000,000; and call the consumption 6 dollars a head, which is 72,000,000 dollars. The duty nominally 33 1-3, in fact 38 per cent, on the amount thus consumed, is 27,360,000 dollars.

There can be no fallacy in this calculation, or in the principles on which it is founded, and we would again call the attention of the wool-growers, whose capital engaged in the raising of sheep, is allowed by Mr. Mallary, Mr. Davis and others, *to be equal to the manufacturing capital*, to an examination of the subject, that they may have still further proof how much they have deceived themselves, in supposing they shared equally the benefit of the heavy tax now imposed on the nation for the advantage of the woollen manufacturer.

Yet they demand that this tax be doubled, and offer a small addition to the duty on wool, to take effect at such distant periods, as would enable the manufacturer to supply himself for years, with the comparatively small quantity he may require.

SECTION 4. Another ground assumed by the manufacturers for a new tariff and increased duties, was, frauds that were practised on the revenue. In various publications, coming from the leading advocates of this interest, the importers were charged with fraud, and the revenue officers with unfaithfulness and incompetency.* Mr. Dwight, member of congress from Berkshire, asserted in a speech as reported in the National Intelligencer, that "the object of the bill and the minimums contained in it, he *would again repeat*, was to in-

* "The public appraisers, though sworn to perform their duty, and having power to add to the invoice prices, whenever in their opinion, the goods are invoiced lower than the actual cost, are believed to be in some of our sea-ports, unfaithful or incompetent." Boston circular of the woollens committee, November 11, 1826.

sure a faithful collection of the rates of duty, which were imposed by the law of 1824 : *The manufacturers asked no more.*" Mr. Davis, member of congress from Worcester County, in a speech reported also in the National Intelligencer, makes the following assertion. "The law of 1824, gave a duty of 33 1-3 per cent on imported fabrics, and it was doubtless the design of government, it should operate as a clear protective duty, but half or nearly that amount, has been taken away by the modification of the British tariff, *and the other half is evaded.*"

We select the speeches of these gentlemen, because they are among the most able advocates of the prohibitory system, and residing as they do in the midst of the manufacturers, they may be supposed to know their views, and will therefore be held by them as good authorities.

These are serious charges to bring against a numerous and respectable class of men. They were doubted at the time, and when some of those who had been the most active in circulating them were challenged for their proofs, it was answered, "*the manufacturers invent no accusations ; they adopt common rumour.*" That these accusations were founded on common rumour, or something worse, was indeed the prevailing belief ; but slight as was the foundation on which they rested, they found a credulous supporter in the Secretary of the Treasury, who with very honest intentions, as we believe, has been an instrument in the hands of other men less disinterested than himself, in building up a system, favourable to the interests of a few, but hostile to the general welfare. An investigation was made by his order, as indeed was proper, believing as he did, that there must be some foundation for the charges, and it resulted as is well known, *in a refutation of the rumoured accusations.* That there may be fraudulent importations of woollens the committee do not pretend to disbelieve, but not to an extent which has any bearing on this question, nor in any greater degree, than of cottons, silks, and other goods of which no complaints were made, or if made, were not listened to.

If however the manufacturers were sincere, it was reasonable to suppose, they would have introduced into their bill, which passed the House of Representatives last winter, some provisions to guard against the frauds of which they complained. So far from this however, the amendments, offered in order to effect that object by various members, and among others Mr. Cambreleng, the active, intelligent and persevering opponent of the prohibitory system, were all rejected by the friends of the bill. To avoid the appearance of such gross inconsistency, the advocates of the bill, contended that this purpose would be obtained and frauds prevented by the singular and novel method of a specific duty on the arbitrary valuation of the square yard, instead of the simple and established one of ad valorem duties on the real cost. An examination of the bill as it actually passed, will show at once how much the temptation to evasion and smuggling has been lessened or guarded against.

The second minimum provides, that all goods costing more than 40 cents, and not exceeding 150 cents per square yard shall be considered as costing 150 cents, and pay duty on that sum. In this class, is included the principal part of the low priced cloths, used chiefly by the poor and middling classes. Under this deceptive section a cloth costing 40 cents the yard, would pay as at present 38 per cent, but if costing 41 cents, would be valued at 150 cents, and pay 57 cents a yard, or 139 per cent. Thus an importer by diminishing the cost of his goods 1 cent in a yard, would save 101 per cent in the duties. To raise the duties from 38 to 139 per cent, averaging perhaps on whole importations 80 per cent, and to construct the law so ingeniously as to offer a temptation of 101 per cent by only altering the cost of an article one cent a yard, and this to a class of men, charged by the supporters of the bill with the most extensive frauds, is the method which the woollen manufacturers adopted to *guard the revenue against frauds and smuggling!!*

We appeal to all candid men, whether in this instance the conduct of the manufacturers is not directly at issue with their professions, and their complaints against merchants and Custom-House officers, a mere pretence, to cover their real design, of imposing an enormous tax on the nation to promote their individual interests?

SECTION 5. Another favourite doctrine of the woollen manufacturers is, that they employ domestic labour and capital, and afford an increased demand for agricultural products; as if the same could not be said of all the other great branches of business, which the prohibitory system is calculated so deeply to injure. Do not the cultivators of wheat, cotton and tobacco, the manufacturers of ships, houses, and all others engaged in the mechanic arts, employ domestic labour and capital? Is commerce and navigation, and the other arts and professions, carried on, without the employment of labour and capital? Why then make a merit of this, as something peculiar to the manufacturers of woollens, or any other manufacturers? Nay further: Do not the spinners and weavers in England, when they furnish us with cloths, employ American industry and capital? How do we get these goods? Do they come to us without payment? Even the most extravagant of the manufacturers, when enumerating their complaints against their competitors, say that the importers of foreign goods get at least half price for them. If then we pay for our imported goods, it must be with the produce of domestic industry or something which is exchanged for it. But say our opponents—the British will not take American produce, at least not that of New England. There is a reason for this, which we should think would occur to any man familiar with our trade, which is, that we have nothing to sell Europeans, which they cannot get cheaper elsewhere. New England has for a long time been a manufacturing people, and that too till within a few years, without the aid of a protecting system. But is the trade of the nation to be estimated by what is pas-

X sing in one small section of it, even if this includes some of the middle states? The question is, what are the exports from the United States? On turning to the official list for 1825, we find the export of domestic produce to be 66,944,745 dollars, of which 40,372,987 dollars went to Great Britain and her colonies, principally the former; and 32,590,643 dollars in foreign articles; every dollar of which was purchased with domestic produce; making in all, 99,535,388. The amount would have been much larger, had we adhered to the system of moderate duties, under which we flourished so much, from the adoption of the constitution till the protecting policy was established.

When pressed with those facts, so contrary to their representations, they endeavour to evade the force of them, by anticipating the period when Europeans will cease to be our customers; but as this event must in the nature of things be very remote, it is hardly worth reasoning about; when however it does come, we shall cease to have the means of importing woollens, and the manufacturers being relieved from that competition they now so much deplore, will then effect in a natural way what they now seek to accomplish by an artificial and unjust system of legislation.

We had supposed, if there was any one maxim in political economy, and legislation, on which all sensible men agreed, it was the folly and injustice of governments attempting to *control* or influence the occupations of men by bounties and special privileges granted to those engaged in particular pursuits, or as Mr. Webster has expressed it, "for his own part he had supposed, the restrictions on trade and commerce, in order to benefit particular classes of manufacturers, were now very generally understood to be mischievous and inconsistent with just notions of political economy." This principle is so self-evident, that no man of sense and reflection, would venture to call it in question, or recommend a departure from it, unless blinded by that zeal and selfishness, which even honest and intelligent men often evince, when earnestly desirous of promoting their own interests.

Let us, however, now examine this claim upon the footing on which the manufacturers would place it.

1st. As to the labour and capital employed.

2d. As to the increased consumption of agricultural produce.

We do not profess to have the means of forming any thing like a correct judgment of the number of persons, or the amount of capital, engaged in this branch of business, but we are willing on this and other occasions, to take the facts from such persons, as the manufacturers themselves deem most favourable to their views.

+ Mr. Davis, member of congress, says, "it is computed from the best information that can be obtained, that a capital equal to 40 or 50,000,000 of dollars, is invested in the manufacture of woollens, and that a population of 60 to 70,000 persons, is employed directly

in the business, and 20 to 30,000 more indirectly ; and Mr. Mallary, chairman of the committee of manufactures, remarks, " the result was that the agricultural interests had at least 40,000,000 of dollars involved in this question, and the manufacturers 40,000,000 of dollars more ;" and we observe these statements are confirmed by other intelligent men on the same side. With regard to the number of persons engaged, we apprehend they have understated their own case; we should venture to double them at least. We have before proved that three quarters of all the woollens we consumed were made at home by small manufacturers, in a household way, when the duties were only five per cent, and when we possessed much less skill and capital than we now have; and by men who by strict economy, and a proper knowledge of their business, found it sufficiently profitable without calling for heavy taxes for their support. The protecting system of high duties, cannot then add more than one fourth to the number of persons who would be otherwise employed, even if we made all our woollens at home; we should then according to their estimate have 25,000 persons and 20,000,000 of dollars capital to provide for if we were to return to the former rates of 5 per cent duty.

The employment then of 25,000 persons, and 20,000,000 of dollars, is the immense benefit which is held up to the nation, as a compensation for a tax more than equal to the whole national expenditure, and *which we are called upon to double*, and the establishment of which will lead to an entire system of prohibitions affecting most injuriously the welfare of the country.

It seems incredible that men of any reflection should put forth an argument which, if it could be sustained on correct principles, leads to such an unimportant result, as the question of employing, in a nation of 12,000,000 people, 25,000 persons, and 20,000,000 dollars of capital. Will any man of common intelligence, pretend there can be any want of demand for labour and capital, in a country like this? There certainly is not in this community. The woollen manufacturers themselves, have complained, that the scarcity of capital, and high price of labour were among the principal causes of their failure. If there was any want of employment, we should see its effects in the fall of wages; but so far from wages having declined, taking into consideration the fall of provisions, and all other means of living, labour was never, at any period, better paid than it now is; and there would be no diminution in the price of it, if every one of the 25,000 persons, added to the manufacturing population, by the protecting system, was thrown out of employment. To them it might, for a short time, be an inconvenience, but they would soon find some other pursuit equally advantageous. It is not the labourer who is to profit by this system of monopoly. It can make no difference to him whether he pursues a business, which requires a tax of eighty per cent. on the consumer to support, or in any of the common occupations of the country of a

less favoured character. The pay of the workmen will be regulated by wages of labour generally, and the only persons who can gain by the high duties are the proprietors of the manufacturing establishments.

As to the employment of capital, if there is no want of demand for it here, still less is there, in other sections of the Union, where it is less abundant. In fact it is too notorious not to be within the observation of every one, that the public projects of great utility, now in progress, or in contemplation, require more capital than can be procured in this, or any other quarter of the United States.

In a country where land can be had from 1 to 20 dollars an acre under a stable government, and with an enterprising, and intelligent population like ours, labour and capital will never lie unemployed, nor go without their proper reward. It may be a question in what particular way they shall be employed, but they will not in any event require legislative controul or direction.

If manufacturers do not want labourers, there is a never failing resource in agriculture, and without undervaluing the advantages of manufactures, it will never be believed, however often insisted upon, that farmers are not as happy, and as useful as manufacturers, especially as they call for no national bounties for their encouragement and support.

As to the increased consumption, we have all seen the most imposing statements of imports into New-England of various products.

It would be wholly impracticable to go into that detail necessary to answer all that has been said on this subject; we will however take the most important article, flour; of which our opponents say, 629,000 barrels were imported into New England in 1825. One might imagine, from their representations, that the whole was for the consumption of the woollen manufacturers, for although they use general terms, their reasonings are commonly bottomed on their own interests. But New England contains above 1,500,000 inhabitants, besides which a considerable portion of the 629,000 barrels of flour is re-exported. Now we have shown that three quarters of the woollen manufacturers have succeeded under a duty of five per cent, and of course are not dependent on the protecting system, which reduces the number of flour consumers, occasioned by the prohibitory duties, to 25,000. Why then talk of the consumption of 629,000 barrels of flour in New England, in connection with this branch of manufactures, when the whole number of woollen manufacturers are but 100,000, and only one fourth of them added to the former number by the increase of duties, and these too, residing in various sections of the Union, and consequently not half of them New-England consumers of flour.

The utter insignificance of this argument which has been so often addressed to the agriculturists of the middle states, will be more striking, when it is considered that the consumption of wheat-flour for the whole Union, if we take the rate allowed for Great Britain, cannot be,

less than 11,000,000 barrels. Now according to that estimate the whole number of woollen manufacturers, reckoned by Mr. Davis and others, at 100,000, would consume 91,666 barrels, of which one fourth, or 22,916 barrels, depend on the protecting system.

The wheat-growers then have gained an increased demand of 22,916 barrels, while the whole consumption is 11,000,000 and the export demand about 1,000,000, in ordinary years, and more occasionally, according to the state of the crops in foreign countries. But is there no advantage in this? Yes, we do not deny that even so small an increased demand is of some value to the farmers, but how is it obtained? By an annual tax of 38 per cent on 72,000,000 of dollars worth of woollens, amounting to 27,360,000, of which, as we shall hereafter see, nearly the whole goes into the pockets of the manufacturers; and of this immense tax, probably at least one fifth part is paid by the growers of wheat, and *we are called upon to double it.*

This is placing the subject in a strong light, but we are reasoning from their own data, and if they are correct, the conclusion we come to is inevitable.

We have, it will be perceived, been examining the claims of the manufacturers to an increase of duties, on the ground of their employing domestic labour and capital, and increasing the consumption of agricultural produce, according to their own representations of the case. It is our purpose now, to show that effects, *the very reverse of these*, will be the result of the prohibitory system.

What is it the woollen manufacturers affirm? Why that woollen goods can be made so much cheaper in England, that after the payment of thirty-eight per cent duty, and all the other charges, making together fifty-seven per cent, as to undersell their manufactures.

The whole charges on the importation of woollens are fifty-seven per cent, which on 72,000,000 dollars amounts to 41,040,000 dollars; this sum must be incurred on foreign goods, before they can be brought into competition with the home-made. The duty, at 38 per cent comes to 27,360,000, of this the duties on our two last years' average importation about 9,000,000 dollars, amounting to 3,420,000 less the expenses of collecting, goes into the public chest for revenue; the balance 23,940,000 is so much bounty paid to the woollen manufacturers, and the effect of which is to keep out of our markets foreign woollens. The manufacturers not only say, this tax is insufficient for their protection, but that it must be doubled, and would reconcile the nation to its endurance, by holding up the idea that among other advantages of their business, they afford increased employment to domestic labour and capital. If any sensible men, whose interests are not promoted by this doctrine, have been induced to give it their sanction, it is from want of due attention to the subject. The fallacy lies in supposing this capital and labour would not be employed but for the woollen manufacturers, but this we deny, as they themselves do in fact by declaring in their petitions, speeches, &c. that

among the most important causes of their want of success, are to be numbered the scarcity of one and the dearness of the other.

The incorrect notions which prevail respecting the injurious effects of importing foreign goods, arise chiefly from neglecting to keep in mind *this established principle*, that if we buy we must also sell, to provide for the payment of what we buy. If we import foreign goods, we must export domestic ones to pay for them; it is therefore certain, that by every importation of foreign goods, we create just so much demand for domestic goods, which must be sent abroad in payment for them. These are plain and self-evident truths, which no man, familiar with commerce, and who has reflected on the subject, will deny.

We will state a case, which may explain and enforce our meaning. We consume perhaps 2,000,000 gallons of wine, purchased abroad in exchange say for provisions and lumber, which we will suppose requires the labour of 10,000 men, and a capital of 10,000,000 dollars to produce; and that this foreign wine can be afforded to the consumer, allowing the usual rate of profit to the importer, and after the payment of 30 cents a gallon to government, at 100 cents per gallon. We will then imagine, that in conformity with the new system of excluding all articles which can be produced at home, as it is proposed to do with woollens, that foreign wines should be prohibited; and that the 10,000 persons, and 10,000,000 dollars formerly employed in producing the provisions and lumber, are transferred to the making of wine, which cannot be afforded, after an allowance of the same wages of labour and profits which they earned in their former employments, under 2 dollars per gallon. What then would be the effect of this operation? The exclusion of foreign wines would certainly create new employment for 10,000 persons, and 10,000,000 capital, *but the same capital and labour would be taken from other occupations*; at the same time government would lose their 600,000 dollars revenue, and the consumers pay 2,000,000 dollars, more than they formerly did for their wine; while on the other hand, the wine-growers, and their capital would not earn more than they did in the occupations from which they had been withdrawn. As a nation, we should be 2,600,000 dollars poorer at the end of every year, than if we had continued to import wine. In other words, had the 10,000,000 capital and 10,000 labourers, continued to be engaged in raising provisions, and lumber, the result would have been produce enough to purchase the 2,000,000 gallons of wine, and a surplus, which would have sold for 2,600,000 dollars.

This is a practical illustration of the effects of the high duty, or prohibitory system. *It does not give an increased employment to domestic labour and capital; it merely turns them from a direction where they were profitable, to one where they are less so.*

This is what is often called, though falsely so, "the American System."

The capital employed in raising wine at an expense of 2,600,000 dollars more than it can be imported for, is termed by them, *the true system of promoting national welfare, and productive labour*, while the same capital and labour employed in raising provisions and labour to exchange for foreign wines, is stigmatized, as *unproductive foreign trade*, which every patriot should labour to destroy, and by legislative regulations, if it cannot be done by any other means.

It is precisely the same with regard to woollens. If we imported more than we now do, there would be less labour and capital employed at home in that branch of industry, but they would still be employed in some other business, more suited to our condition, and we should thus have so much larger amounts of produce to export, to pay for the imported woollens ; and if we imported the whole we consumed, the annual saving (provided they can be imported 38 per cent cheaper than they can be made) would be 23,940,000 dollars, which is the tax we now pay yearly, to keep down foreign competition.

Now if this annual tax, paid for the benefit of the manufacturers, was so much clear gain to them, it would only be a transfer of 23,940,000 from the 11,900,000 consumers, who do not participate in its benefits, to the 90 or 100,000 persons which Mr. Davis says are engaged in the manufacturing of woollens. In that case, as a nation we should not be the poorer ; but if with this tax, the manufacturers only make the ordinary profits of business, or as much as the same capital and labour engaged in other branches of industry would earn, (and they declare they make less) then we say, the 23,900,000 is the annual loss the nation sustains by the woollen business ; or in other words, the accumulation of national capital is 23,940,000 dollars a year less than it would be, if the woollen capital was employed in agriculture, commerce, the mechanic arts, or in any other way affording the average profits of business, and we imported our woollens instead of making them.

“ Here then,” to use the words of one of the advocates of the system we are opposing, “ is a strong case fairly made out, and no more connected with the principles of political economy, than with metaphysics!! It is then mathematically true, that if we can import woollens 38 per cent cheaper than we can make them, (and the manufacturers say we can 80 per cent) the consumers pay an annual tax of 23,940,000 dollars to the woollen manufacturers ; and it is equally true, that if with all this bounty, the manufacture of woollens does not yield any thing more than the ordinary returns of capital and labour (and the manufacturers say it does much less) then we not only pay this immense tax to the woollen manufacturers, but there is so much annual loss to the national income.

We contend therefore, that the principles on which the woollen manufacturers rest their claim for more duties, are altogether fallacious, and that a resistance of it will not be followed by a diminution of demand for labour or capital, nor lessen the consumption of agricultural

produce. On the other hand, the committee maintain, that the effect of even a continuance of the present duty of 38 per cent on woollens, (if they can be imported so much cheaper from abroad) is to diminish the accumulation of national wealth, to the annual amount of 23,940,000 dollars; and thus by decreasing the fund on which labour must depend, lessen the demand for American labour, and consequently the consumption of agricultural products.

SECTION 6. Let us now proceed to the examination of another assertion on which the woollen manufacturers appear to rest with the utmost confidence; that is, that the effect of excessive duties, is, to make goods come cheaper to the consumer, or as Mr. Niles expresses it, "all articles protected are cheaper, because of that protection." To enforce the belief of this maxim, they instance the decline in the prices of cotton manufactures, since the high duties imposed on them by the tariff of 1816. This is one of those fallacies which has been so boldly, and so often repeated, as to impose, not only on great numbers really desirous of coming at the truth, but even on many of those who invented it. To say that the effect of a duty, averaging perhaps when imposed 50 or 60 per cent on coarse goods, established for the avowed purpose, *and as necessary to keep down foreign competition*, raised subsequently, because of the insufficiency of the tariff of 1816; and maintained to this day, because in spite of this excessive duty, foreign importations still continue. To say that the effect of such a measure has been to lower the price of domestic goods, carries on the face of it, such a manifest contradiction and absurdity, that it requires great confidence in our reflecting readers, to believe such a declaration was ever made. We will therefore give a statement from the address of the Pennsylvania Society, issued to promote the Harrisburg Convention, and at whose summons *it was convened*, for the purpose of forming a new tariff, for the adoption of the next Congress. "It is assumed that protecting duties on the importation of foreign manufactures, greatly enhance the prices, and of course impose an oppressive tax on the consumer. Nothing can be more foreign from the fact. Hamilton exposed the fallacy of this notion, above 30 years ago." With regard to the authority of this great man which has been so much abused by the advocates of the prohibitory system, we shall not now interrupt this discussion any further than to say, that the protecting duty established, under the first tariff on cotton and woollen goods, was five per cent, and *the addition which Hamilton recommended in his celebrated report, was 2 1-2 per cent on cottons, making 7 1-2*, and nothing on woollens, except 2 1-2 per cent on carpeting, and on that article *because it was considered a luxury*. The cotton manufacturers now have 29 to 90 per cent, and even 100 per cent. And the manufacturers of woollens having now 38 per cent, demand an increase of 39 to 139 per cent; averaging 80 per cent. So much does this enlightened statesman, whom they affect to consider on their side, differ from the men we are opposing, in their notions of protection.

“ The case of coarse cottons with us, (continue the addressers,) on which the duties are prohibitory, may here also be referred to, as a striking corroboration of this theory. They are now sold at half the price they bore when imported, and are of double value, in point of durability, making a difference of 75 per cent in favour of the American consumer. Had no other instance ever occurred here, this alone would be sufficient to settle the question without appeal.” This statement involves two propositions : 1st, That domestic cotton goods have fallen 75 per cent since 1816 ; or in other words, that cloths then selling at 25 cents, can now be had at six and one quarter cents per yard ; 2d, That this reduction has been caused by the high duties imposed by the tariff of 1816.

That the first is incorrect in point of fact, no one will, we presume, deny ; but is of no importance as respects the argument, and we merely notice it to shew with what caution we should receive statements from men, who make such assertions with the most fearless indifference on their part as to the effect they must have on their characters, and as appears to us, with the utmost contempt for the knowledge and understandings of those, to whom they are addressed.

With regard to the second—we grant that coarse goods are 40 to 50 per cent cheaper than when the tariff of 1816 was imposed, but it cannot fail to strike every one as a most illogical inference, *that they are necessarily so, because of that tariff.* Where are the reasons to shew that the tariff was the cause of decline in price ? *None have ever been offered.* The real question at issue is, not whether coarse cotton goods are cheaper than in 1816, but whether they are lower than they would have been, had the duty continued at 15 per cent, the rate which they paid before the protecting system was established, instead of 60 to 100 per cent, which coarse goods now pay.

To prove the affirmative of this proposition, that is, that cotton goods are cheaper because of the tariff of 1816, which is, what they are bound to do, they should at least shew that such descriptions of goods are no longer imported, in any considerable quantities, nor that they would be imported, if the duties were reduced to 15 per cent, otherwise, their position must be abandoned. What then is the fact ? Have coarse cotton goods ceased to be imported ? Fortunately we here have proofs to rest upon, which no one can dispute. On reference to the official list of imports, going back as far as the statistical tables, we find the importations of cotton goods, excluding nankins and all others, except plain white, and printed and coloured, were as follows :

1821	-	-	-	-	-	6,877,812
1822	-	-	-	-	-	8,808,390
1823	-	-	-	-	-	7,536,315
1824	-	-	-	-	-	8,130,750
1825	-	-	-	-	-	11,036,038

Now taking the duty on fine and coarse goods to average 45 per cent, and calling the other charges 20 per cent, making 65 per cent,

the last year's importations, without allowing any profit, must have sold for \$18,209,463. We have then incontrovertible evidence, that the amount of imported cotton goods is very large, and has been, on the increase down to the year 1825, and that too in a greater ratio, than this statement shows, because the fall in the price necessarily increases the quantity. It should also be noticed that in 1816, the duty on coarse cottons was 6 1-4 cents the yard, and as goods, then costing 20 cents, can now be had at 12 to 14 cents, and pay 7 1-2 cents, the rate of duty is nearly doubled on very low goods, and very much increased on all sorts falling under the minimum valuation.

We are aware, that, enormous as the duty now is on Cotton goods, the importation is rapidly diminishing, and will probably cease altogether, within a few years, except of some fancy articles, which our manufacturers have not yet commenced manufacturing; but this only proves that British manufactures may be excluded by duties of 60 to 100 per cent. and not that the domestic goods would undersell them, if the duty was carried back to 15 per cent. Notwithstanding the excessive rates now imposed, we do continue importing, and we have now before us statements from some of the most intelligent importers, supported by the testimony of others, and confirmed by the personal observation of the committee, proving the rates on plain, printed and coloured goods, imported this season, and *affording a fair profit*, to be 70 to 90 per cent.; on other descriptions of Cotton goods, to be of 40 to 60 per cent. If then, in 1825, we imported Cotton goods, which without any allowance for profit, must have sold for upwards of 18,000,000 dollars, of which several millions charged at 8 to 15 cents a yard, paying 7 1-2 cents the yard, or 50 to 90 per cent. duty, and a larger amount costing 15 to 20 cents, on which the duty was 38 to 50 per cent. does it not follow, that under a moderate duty of 15 per cent. or even 25 to 30 per cent. we should have imported a much larger quantity? and is not the conclusion irresistible, that if coarse goods have fallen since 1816, they would have fallen still lower, had the duties not have been raised, and the market been left more open to a competition, with the cheaper fabrics of Great Britain? What then are the causes of the great decline in the price of domestic cotton fabrics? For several years the demand for cotton goods exceeded the supply; consequently prices were high and profits great, which in time produced an excess, and lowered the prices, not only to the lowest rate of living profit, but for a time much lower, to the ruin of vast numbers engaged in this branch of business, both in this country and in England. This state of things, however, could only be temporary; but the permanent causes of the fall in cotton goods, are improvements in machinery, increased skill of the manufacturers, reduction in wages, and above all, as applied to the coarse goods, the decline in the raw material, (which constitutes 1-3 of their cost) from 28 and 30 cents, to 10 or 12 cents per pound.

The same causes have operated in England, and produced similar effects; cotton goods have fallen as much there, as here.

The only evidence our opponents have ever furnished, in order to sustain the position, we are refuting, is, the assertion that we undersell British cotton goods in foreign markets. The committee quote from Mr. Tibbits' address, (an authority which appears to be much relied upon by the manufacturers) the following statement relating to this subject. "The country is not only supplied, but overflowing the demand at home; it has at this time become *a great*, if not the surest article for exportation, which we have. The coarse cotton cloths of this country now have the *preference in the South American markets over the cloths of England*, made for like purposes; *and they bid fair to supplant them in all foreign markets, where cloths of both countries find admittance and a market.*" Mr. Niles, in one of his Registers says, "But what are the effects of the Tariff? Virginia obtains cotton goods cheaper than ever she did, and the nabobs of Waltham are rivalled in many places, so that the whole manufacture is reduced to the lowest point of profit, that it will bear—so low, *that we undersell the British in every foreign market, at which our goods are received on the same terms as their own.*" These unquestionable facts are worth a whole library of speculations, apply them as you will." The same assertion has been made by other writers, and pretty generally believed. The reader would naturally suppose from what is here advanced, that we exported domestic cloths, to an immense amount, and more particularly to the South American markets. There has never been any separate account kept of the export of cottons at the Custom House, till 1826, and on referring to the Treasury report that year, which we have received since commencing this report, we find our whole exports amount to 77,595,322 dollars, of which domestic cotton goods amounted to 1,138,125 dollars; of this amount 711,959 dollars went to Mexico and other parts of South America, in which we include the whole continent. By an official list of exports from England for 1825, the committee find the amount of cotton goods exported was in that year £30,795,000 sterling, at the present rate of exchange, equal to 150,895,000 dollars. What proportion of these goods went to Mexico and South America, we had no means of ascertaining precisely; but as the whole export of British manufactures from England to these countries, was upwards of 40,000,000 dollars, and as considerable quantities went indirectly from the British West Indies, and other Colonies, there cannot be a doubt, that an amount of at least 25,000,000 dollars in British cotton manufactures, reached Mexico and South America. Our export of domestic cottons is generally understood to have been greater in 1826, than in any former year, yet on comparing it with the British, it is about two thirds of a per cent. of the amount they exported. This then is the progress we have made since 1816, "*in supplanting the British in all foreign markets.*"

We do however it seems, export cotton goods, but it supposes a greater degree of ignorance, than can well be imagined, in men who have undertaken to enlighten the nation, with a new system of commercial policy, to conclude, that so small an operation, proves that we can undersell the British in foreign markets. It is well known that in such a various and extensive trade as we carry on, there are many markets where assorted cargoes are required, and they must be made up of both foreign and domestic goods, even though they may cost more than in the countries where those, or similar articles are produced. As evidence of this, we re-exported in 1825, of European linens, imported at a cost of 15 to 20 per cent. to the amount of 2,433,625 dollars; yet no one acquainted with trade, would infer from that, our ability to undersell the same articles going direct from the places where they are made, to the markets to which we exported linens. This is now the case and always has been, with many of the articles which we import from all quarters of the world. But our re-exportation of cotton goods will be more to the point. From the Custom House returns, the committee find, that the export of foreign cotton goods, principally, or all British, for 1825, amounted to 1,810,591 dollars, of which 1,106,214 dollars went to Mexico and other ports in South America; and that in 1826, the export was 1,714,788 dollars, of which 901,849 dollars went to the same places, besides further shipments which went direct from Europe to those countries. We think this is a just view of the case, and such as will convince every reasonable man, that no satisfactory evidence has been furnished to shew that we can undersell the British in any markets; indeed nothing can be more absurd, than to pretend we can, while we levy a duty of 50 to 90 per cent. on those very kind of goods, in which we most excel, in order to keep British goods out of our markets, and which are still to be increased, if the woollen manufacturers prevail. While then to make up assorted cargoes, we export nearly 2,000,000 dollars of British goods, brought here at an expense of 20 per cent. it may well be expected that we should export a few of our own goods, even though at higher prices than they would have cost in England. The South American markets are proverbial for their great and sudden fluctuations, which may cause these shipments sometimes to be profitable, but it is within the knowledge of this committee that they are often times unprofitable.

This however is no disparagement to our characters, as manufacturers. The British have the low quality material, as cheap as we have, and can work it, as we have been informed, to much more advantage; while for the better qualities, they do not give more than 7 1-2 per cent, over what the New England manufacturers pay, which really has no bearing in the cost of goods, while this article is so low. If a British manufacturer paid 15 per cent more for his material, than our manufacturers, the difference even in the heaviest cloths of 3 yards to a pound, and taking the cotton at 12 cents a pound, would

only be 3-5ths of a cent a yard, against the English manufacturer ; while on the middling goods of 5 yards to a pound, it would diminish to 3-8ths of a cent, and in the finest goods, it would only be from 1-6th to 1-4th of a cent a yard. *It is* often held up as a reason why we should excel our competitors eventually, if not now, in this manufacture, that we raise the raw material within our own country, but it does in fact cost at least half as much to transport it from the cotton states, to New England, as it does to Great Britain ; but if it cost even 50 per cent more in England, we have shewn that it would not materially affect the cost of the manufactured article. The principal elements in the value of cotton goods at the present cost of the material, are capital and labour, in which our competitors very much excel us. It has been stated by Mr. Huskisson in parliament, (and we cannot have a better authority,) that of 32,000,000 pounds sterling of cotton goods, which he estimated the consumption of Great Britain in 1824 ; he ascertained on inquiry, that 26,000,000 pounds sterling, or about four-fifths were profits and labour.

Now as any addition they pay over our manufacturers for the material, is of such little importance, capital so abundant as to be at half the rate it is worth here ; and wages are reduced to the lowest minimum of existence, *to bread and water merely*, is it surprising that they should afford cotton and all other manufactures so much lower than they can be made with us ? Ought it to be considered by us as a subject of regret, that we cannot rival England in her manufactures ? *Manufactures are forced upon England by her circumstances.* She has a limited territory and a population so dense, that they must be employed in that way or perish. Do we envy her condition in that respect ? If you can contract the population of this country within the same space they occupy in Great Britain, and prevent their emigration, we shall then have land at 500 dollars an acre as it is there, low wages, a spirit of competition, which nothing can bring forth but necessity ; and all the other attendant circumstances, which enable the British manufacturers to excel ours. Situated as the two nations now are, they might as well contend with us, in the cultivation of tobacco *on lands which would rent in England* for four or five times as much as they could be purchased for in Virginia or Kentucky. The climate and soil are as well suited to its culture as they are in France, where acting upon the "American system," they raise it at about three or four times the expense we could furnish it of a much better quality. It is true that in the coarse fabrics, where the material makes up more of the value, and the labour less, we come nearer to the British, but in those we are behind them, and shall always be until we make some near approach to Great Britain in density of population, accumulation of wealth and low wages.

Why then, we repeat, should we feel regret and mortification at not equalling Great Britain, in a business, in which her advantages over us, *grow out of circumstances we should not desire to be placed*

in? Our population and capital are not idle, and never will be. It is true, that our opponents tell us that foreign nations will not take our produce. We answer that not a dollar's worth of produce ever perished for want of either a foreign or a home market; one or the other we have always had, and that is all which the public welfare requires.

If the woollen manufacturers believed in their own maxim "*that high duties make goods come cheaper*," why is it they have been complaining for years past, against the duty on wool, when we have proved from their own admissions, and Custom House documents, that the whole quantity of foreign wool used is only 4 or 5 per cent of the consumption; and the whole amount of duties on wool, under the increased rates of 1824, was only 179,091-1-3 dollars, while the duties on woollens were 3,660,755 dollars?

If the cotton manufacturers believed that the effect of high duties, imposed by the Tariff of 1816, had been to make goods come cheaper to the consumers, it is admitting that the duties down to 15 per cent, are inoperative, and therefore unnecessary; yet in 1824, the most prosperous period of manufacturing, as indicated by their dividends of 10 to 20 per cent, and sales of stock, at 20 to 50 per cent advance, they came forward, with petitions complaining of the interference of foreign goods, and insufficient profits; and obtained an increased duty of 1 1-4 cents the yard, on that particular description of goods, which we can manufacture to the most advantage, thus making an addition to the former rate of from 5 to 15 per cent. The committee would add further, that so far are the cotton manufacturers from being contented with the present duties on cottons, enormous as they are, that some of those most largely interested in this branch of business, and who in 1820 signed a report denouncing any addition to rates, both on cottons and woollens, much lower than they now are as unnecessary and inexpedient, and "tending to favour great capitalists, rather than personal industry, or the owners of small capitals," "to encourage the practice of smuggling," and to have a "tendency to diminish the industry, impede the prosperity, and corrupt the morals of the people," are at this time, giving the woollen manufacturers a most cordial support, with a view, as is reasonably inferred, and as we have been informed, to obtain their aid in sustaining a call for more duties on *coarse cotton* goods.

The committee have gone into a detail, which they fear will be considered unnecessary by some, and tedious to all, because they believe the notion they are combatting has misled and corrupted the public mind, more than any of the numerous fallacies and misrepresentations in circulation.

We ask all candid and impartial inquirers, to examine the facts we have adduced, and our reasonings. They cannot we think fail to acknowledge, that we have shewn, in the first place, that cotton goods, have fallen since 1816—not in consequence of the Tariff,

but in spite of it; and secondly, that we are supported in this conclusion by the conduct of the cotton manufacturers themselves, in calling for more duties in 1824, and from the efforts making to obtain, at the ensuing session of Congress, still higher rates.

Before we terminate this part of our labours, the committee wish it to be understood, that in speaking of woollen and cotton manufactures, they do not mean all of them: we know there are some of the former who admit they are doing well under the existing Tariff; and others, who, if they do not succeed, attribute their failure to a deficiency of skill and experience, a difficulty which is every day diminishing. They believe fully that they shall eventually succeed, and at any rate have the honesty to avow, that a business which requires more than the 57 per cent protection, (which is what the woollen manufacturer now enjoys,) is not suited to the interests of the nation. As to the cotton manufacturers, it is well known, that a large number, embracing the most respectable and intelligent portion in this quarter, have disapproved, and many of them, resisted the additions made to the rates imposed by the Tariff of 1816; and some have always contended, that those were too high. They predicted, that the consequences of such alterations would be, to disaffect, and disgust the whole country, such rates of duty being higher than were either just or necessary; and at the same time injure the regular established manufacturer, who engaging in the business, as a permanent profession, and not upon speculation, was satisfied with the Tariff of 1816; and ruin others, who might be induced, under the additional stimulus afforded by the Tariff of 1824, to rush into a business they did not understand, and had not the means of pursuing, had they understood it. The events of the last two or three years, have fulfilled their predictions. The woollen manufacturers have also suffered by an imprudent enlargement of their concerns. According to their own statements they extended them in the course of 9 years from 10,000,000 dollars to 40,000,000 of dollars; stimulated no doubt, in a great degree, by the augmentation of duty in 1824; and such, many apprehend, will be the effect of the proposed increase from 38 to 80 per cent. Some few extensive manufacturers, who may have adventured very largely, will perhaps be gainers by the increased value, which such a bounty will give to that kind of property, and availing themselves of the speculations which will follow, to dispose of their stock, they will be enriched; while on the other hand, the majority of the manufacturers, will be injuriously affected, as were the cotton manufacturers by the alteration of the Tariff in 1824; and as they may be again by the increase of duty, which is contemplated at the ensuing session of Congress.

This honourable conduct on the part of the gentlemen to whom we refer, which evinced a knowledge of their own true interests, and at the same time a just regard for the national welfare, instead of being viewed in its proper light by the advocates of the prohibitory system,

was spoken of by Mr. Niles in the following terms, "I well remember it was haughtily and harshly said that the Tariff would render the great state of Virginia, tributary to Rhode Island; and at the very moment when the capitalists of Waltham in Massachusetts, &c. &c., *were opposing the Tariff, that monopoly might rest with them;*" and again by Mr. Tibbits, to whom we have before referred, as one of the most distinguished writers in favour of the "American System," and a member of the Harrisburg Convention; "It is maintained by some of the oldest and most forward manufacturers, that manufactures do not require further protection. It is with difficulty, this opinion can be reconciled, *with pure intentions.* In the absence of all necessary proof, we are led to attribute it to the *over-bearing influence of self-interested motives.*"

Mr. Carey in some of his numerous essays, has expressed himself much to the same effect. These gentlemen have written and published more upon the prohibitory, or as they term it, "the American System," than all its other advocates united; and we observe their statements and opinions are always referred to, with the utmost respect and deference, by all those who are disposed to carry matters to extremes. We have quoted these remarks, not with a wish to disturb the harmony which prevails between those gentlemen and the manufacturers generally, but to show how much at variance they are in their notions of protection, with some of the manufacturers among us, who from their great success, may be supposed to understand their own interests, at least as well as these theorists, who have undertaken to direct them. However well intended may be the speculations of these writers, it is evident that the most intelligent, practical manufacturers, in this quarter, do not agree with them, and disclaim their opinions and views, as tending, if carried into effect, to do them a serious injury. They no doubt unite with all reasonable men in thinking that the greatest dangers, and the only ones the manufacturers now have to encounter, arise from the interference of mistaken and over-zealous advocates, who seem neither to understand what protection manufactures require, nor indeed even what they now enjoy.

SECTION 7. Another prevailing argument in favour of restriction and non-importation is, that Europeans do not take our produce freely, and at any rate that domestic exports being chiefly from the Southern sections, are of very little benefit to the Northern States. Some apply this on the one hand to the trade between Great Britain and the Northern States, others, more generally, to the whole foreign trade of the United States. When the desired effect is to bring odium on a rival manufacturing nation, England is alluded to; but when the object is to excite Northern prejudices against Southern interests and Southern rights, the smallness of our exports from the Eastern and middle States to Europe generally, and more especially to England, is dwelt upon.

We will now select as we have before done, quotations from such authorities as are held in the greatest respect by the advocates of the exclusive policy.

From Mr. H. G. Otis' speech at the Boston Woollens Convention, in June, we take the following. "The British system in particular, is equivalent to a total prohibition upon the produce of this part of the country. The revised tariff will show, that they admit only what it is impossible for us to introduce in competition with their own produce and fabrics.

While they take nothing from us, they seem to have enjoyed the prescriptive usage (*which many of our citizens are willing to countenance,*) of supplying us with all we want, from hats to shoes, and of manufacturing for us all things down to a hob-nail." Again; "without manufactures we must come to want every thing, and can pay for nothing. Thus commerce and agriculture must sink together, *like two fond sisters in a gradual decline, and be buried in the same grave.*"

"Europe will take almost nothing which your soil produces."

Mr. Tibbits in his address says; "It is found that foreign countries subsist very well without any, or but a small proportion of our agricultural productions, *and the most of them are absolutely refused admittance* under severe penalties."

Mr. Stewart, member of congress from Pennsylvania, observes; "We are told, we must buy from Great Britain, that she may buy from us. How is this matter? Great Britain buy of us!! What does she buy from the Northern and Middle States? Sir, nothing. Great Britain from whom we bought in 1825, upwards of 42,000,000 dollars of merchandize, 10,682,000 dollars of wool and woollens, took in exchange of the agricultural produce of all the States north of the Potomac and Ohio, *an amount less than 500 dollars!!*" From the Pennsylvania address, we extract the following: "The domestic exports of the United States, in 1796, were about 33,000,000, exclusive of cotton and tobacco. In 1825, excluding those articles, they were only 23,982,473 dollars; our population in 1796, was about 4,750,000. It is now about 12,500,000. Thus while it has nearly trebled, the exports of all the articles produced by about 10,000,000 of our population, have diminished one third; although the export of manufactures has increased four-fold." We have, we believe, embraced in these extracts the substance of what they found their arguments upon, and we understand from what is here advanced, and the general tenor of their publications, that they mean to sustain the following points:

1st. That foreign countries generally, take but a small proportion of our agricultural products.

2nd. That according to Mr. Otis, and others, the British system is equivalent to a total prohibition of the produce of this part of the country; and that she, (Great Britain,) continues to supply us with all we want, from the most important, to the most inconsiderable article.

3d. That in 1825, we purchased of Great Britain 42,000,000 dol-

lars in merchandize, while she took in exchange, less than 500 dollars in agricultural produce of all the States north of the Potomac.

4th. That the domestic exports from the United States, in 1796, excluding tobacco and cotton, were about 33,000,000 of dollars. In 1825, excluding those articles, only 23,982,473 dollars.

5th. That however large the exportation of domestic produce to England and elsewhere, it is, comparatively speaking, of very little advantage to the northern section of the Union, as the various productions of which it is composed, are chiefly of the growth of the Southern States, and that this should reconcile the latter to the prohibitory system, even though it should be burdensome.

In answer to the 1st, there is no doubt that the quantity of agricultural produce exported is small compared with what is consumed at home, and this must be the case in all countries; but it is in reference to our export trade generally for past years, that this assertion is made. It is then so far from being true, that the official returns for 1825 give the largest export for many years, viz: 66,944,745 dollars, in domestic productions, of which, only 5,729,797 dollars were in manufactures, and those were chiefly such as receive the least protection from the tariff of 1816. To this amount must be added 32,590,643 dollars, export of foreign goods, which having been procured in exchange for domestic produce, not only gives the same employment to American labour and capital, that a like amount of woollen manufactures does, but a still further one to mechanics, merchants, labourers and navigators, engaged in the transportation of it, and that too, instead of imposing an enormous taxation on the consumers, as the restrictive system does, affording a great revenue to the nation.

The benefits also of this foreign trade, instead of being confined to 100,000 proprietors of factories, is distributed to millions, throughout all the various sections of the Union. The exports of 1826, have fallen off to 53,055,710 dollars of domestic, and 24,539,612 dollars of foreign articles, making a deficiency, compared with the former year, of 21,940,066 dollars; this has arisen in part from the great decline in price of some of our staples, but still more from the operation of the non-importation system, which by excluding such articles as foreigners have to give us in exchange for our produce, narrows down their means of purchasing it. We are told by Mr. Tibbits, "if a nation cannot pay, or in other words cannot export, it cannot import; if it can export but little, it can import but little; in the long run its exports must be equal to its imports, and *its imports* must be equal to its exports." And by Mr. Otis in his convention speech, "imports in the long run, cannot exceed exports," and of course exports cannot in the long run, exceed imports; and thus as Mr. Otis continues, "the farmer being deprived of the foreign market, will raise no more than what is required for his own subsistence." Nothing can be more true. If we prohibit importation of foreign

goods, we necessarily in effect, prohibit the exportation of our domestic produce, because *we deprive foreign nations on whom we depend for its consumption, of the means of paying for it*; and yet the men who are the most active in establishing this system, complain that our export trade diminishes!!

In regard to the first declaration in the second point, so far is it from being true, that we find on reference to the Custom-House report for 1825, the exports of fish, flour, candles, lumber, ashes, flaxseed, hides, tallow and other Northern articles direct to Great Britain, amounted to about 1,200,000 dollars, and to the British Colonies, 4,213,478 dollars; in all 5,413,478 dollars; 5,000,000 of dollars of which was no doubt produced "north of the Potomac," which seems to be the utmost limit of that export trade, which the supporters of the "American System" regard with any favour. The exports of similar articles to the same places in 1826, somewhat exceed this amount.

It is true that the principal portion of this trade, which produced in the aggregate, an export for 1826, to the British Colonies alone, *from the whole* of the United States, an amount of 4,798,765 dollars, of which less than 2 per cent was carried in British ships; and employed 102,000 tons shipping in transporting these productions, we are now deprived of; and it is so we think in retaliation of our anti-commercial and prohibitory system, imposing on the average, three times at least as much duty on such manufactures as Great Britain must rely upon to barter for our produce, as she does on such productions as are best suited to the circumstances and interests of this nation to raise and export. It is for the interest of Great Britain, and conformable to her new commercial policy, to have the trade between this country and her colonies, an open one. She tendered this trade to us on such terms as met her own views, and although for a time declined by us, we afterwards acceded to. Why then does she recede from her own offers? The British Minister in his correspondence with Mr. Gallatin, has assigned no reasons for his refusal; he could not urge the one which we think prevailed on his mind, because it did not belong to the discussion in which he was engaged; as we have an unquestionable right to regulate or destroy our commerce by legislation, or in any other way most suitable to the wisdom of our Government. It is however incumbent on the men now in power in England, to regulate their commercial system in regard to the United States, in conformity to such laws as we may enact in regard to our intercourse with them. Mr. Huskisson on removing many of the various restrictions on trade and navigation, has always held out as a compensation to those who imagined their interests suffered by his reforms, that he would either keep open foreign markets for the shipping and manufactures of Great Britain, or retaliate by closing the trade with England and her possessions, against those nations who would not reciprocate the liberal principles he acted upon.

This is the spirit of his system, and he must, in case we exclude the manufactures of England, exclude our produce and shipping, or forfeit his pledge to the nation.

This result may perhaps of all others, be the most desirable, not to the manufacturers generally, but to that portion of them who are so selfish as to wish, or so short sighted as to expect, to sustain their interests, while they stand in opposition to those of the whole nation; and still more to a class of politicians, who having no concern in manufactures themselves, and evincing an entire disregard to the bad consequences they may ultimately bring on those interests, which they affect to promote, are converting a question of national policy to party purposes; and dazzled by those visions of political greatness, which play before their minds, are ready to undermine any established institutions, however useful, and subvert any of those great and sacred principles, on which our national peace and welfare depend, so that they may gratify their ungovernable and mischievous ambition.

Those politicians (of whose sincerity in the part they are now acting, the manufacturers themselves have reason to doubt, since the most active and ambitious of them, only 3 or 4 years ago, when the duties were on woollens and cottons much lower than they now are, were equally zealous on the other side,) omit no possible opportunity, of instilling, through reviews, newspapers, addresses, and every other avenue of communication with the nation, the worst prejudices against foreign trade, those engaged in it, and the nations with whom we have the largest transactions, and that too in a community where two thirds of the people are dependent on it for their daily bread.

In answer to Mr Otis' second assertion, "that Great Britain continues to supply us with all we want from the most important to the most inconsiderable article," we do not mean to take his words in a strict literal sense, but if the terms he uses mean any thing, it is that we still rely almost entirely on Great Britain for the various manufactures we consume, from the least to the greatest articles. Now what is the fact? The committee find on examination, that the average of our importations of all sorts of goods from Great Britain in 1825 and 1826 was 31,422,617 dollars, from which an amount exceeding 2,000,000 dollars was re-exported, leaving an amount of manufactured and unmanufactured articles for consumption of about 29,500,000 dollars. Now the whole amount of manufactures consumed in the United States, taken at a low estimate of 30 dollars a head would be 360,000,000 dollars.* Thus the proportion expended in Great Britain for manufactures, and all other articles, as compared with our expenditures at home would be something less than a twelfth part. These perhaps to the advocates of the new system, may appear as slight mistakes, as indeed they are, compared with some we have already exposed, and others we have yet to correct.

* Produce of the domestic manufactures has been estimated by Niles at 300,000,000 dollars.

We point them out however, not as of any importance in our view of the subject, for we are not among those who deem it a misfortune to the country, *to buy goods abroad at one half what they would cost to make at home.* And we apprehend such are the opinions of most men who do not share in the profits of manufacturing, and even of the most intelligent portion of those who do. Our main object then, in examining many of the statements we have answered, is to show how little reliance can be placed on the arguments of our opponents, even if founded on sound principles, since the statements on which they rest, are so entirely at issue with probabilities and facts.

We have not quoted thus freely, from Mr. Otis' speech, without having read it, with that attention, we are disposed to give to every thing coming from so eminent a man, and even imagining, that we might find arguments in it strong enough for our own conversion. We however see nothing in it to change our opinions. That foreign trade is derogatory to the character and injurious to the interests of a great nation—that dear goods made at home, are better than cheap ones from abroad—that capital and labour cannot be employed in this country without prohibitory duties. That it is patriotic to tax the many for the benefit of the few. That it is just to aid by legislation, manufactures which do not succeed without it. That we ought to sell to other nations, but never to buy from them; and finally, that it is wise to have good theories—but still wiser to act on bad ones—are we have long since known, fundamental principles, among the advocates of the “American System.”

It is however somewhat new, and still more extraordinary, that these ancient and venerable maxims, sprung from the darkest ages of ignorance and despotism, and whose best apology Mr. Webster has said, (in one of his admirable speeches against the system,) “will be found in that sluggish and unenlightened state of society, in which they were established,” should, after having been driven from every enlightened corner of the world, take their last refuge here, and find what they have not done before for 50 years, a statesman of great experience and knowledge, willing to risk his reputation in their defence.

It is however most consolatory to us, and as we think, a very satisfactory evidence of the weakness of *their* cause and the strength of our *own*—to see that even one of the most ingenious defenders of the system, has not been able to find any sounder arguments for its support, than the dullest mind engaged in it.

In answer to the 3d point we say, that if it was meant, to discuss the trade between Great Britain and the States, “south of the Potomac,” they should have balanced the exports of that section against the imports to that section; instead of which, the effect of their way of stating it, is to induce the belief, that while the Southern States had almost the entire advantage of the export trade with England, the manufacturing States were consumers of all the British

imports, which to the party their arguments are addressed, is considered a great evil.

We have already shewn from Custom House documents, that in 1825, we sent direct to Great Britain about 1,200,000 dollars in northern productions, and 4,213,478 dollars to her Colonies, which no one can deny is equally beneficial. The amount exported in 1826, rather exceeded those sums. It is impossible from the returns, to ascertain exactly the origin of each article, as these geographical distinctions, which formerly were of no importance, have not been attended to at the Treasury, in making up the reports; but any practical man, will see on reference to the list, that at least 5,000,000 dollars must have been produced north of the Potomac. How does this coincide with Mr. Stewart's assertion, which has gone through some hundreds of editions, *that only five hundred dollars, northern produce, was exported in 1825?*

We leave our readers to make their own reflections on such gross misrepresentations. It will be said perhaps, that in stating our export at 500 dollars only, Great Britain was intended, in which case, there would only have been an error of 1,199,500 dollars; but England and her Colonies, are evidently referred to, because the 42,000,000 dollars, stated as imports from Great Britain, include the imports from England and all her Colonies.

The fourth proposition taken from the Pennsylvania address is so ingeniously expressed, as either to conceal their own meaning, or mislead the public mind. If the intention was to show the comparative exports of 1796 and 1825, why leave out the two principal articles, Cotton and Tobacco? What would be said of the fairness of a writer, who in undertaking to give an account of the export trade of Cuba, should leave out Coffee and Sugars? The reader is left to infer, that our domestic exports were above 40 per cent. more in 1796 than in 1825, and thus an appeal is made (by exhibiting this great falling off in our export trade) to those prejudices against our foreign commerce, which forms an important part of the plan of our opponents. Let us now give an actual statement of the exports of these two years.

In 1796, our domestic exports they say, were \$33,000,000

Add tobacco, 67,018 hhds. and 29,181 lbs.

worth about \$5,000,000

Add 6,106,729 lbs. cotton, worth

about

\$2,000,000—\$7,000,000

\$40,000,000

Exports of domestic produce in

1825,

\$23,982,473

Add excluded articles,

Tobacco, \$6,115,623

Do. Cotton,

36,846,649—42,962,272—\$66,944,745

It appears then, that balancing the omissions of 1796 against the omissions of 1825, they have left out of the latter year the amount of \$33,962,272. Here then is a statement coming from a society of men, who are among the principal founders and promoters of the new system, issuing their circulars, assembling conventions to make tariffs for the government, and undertaking to direct the public mind, and the national legislature upon the most important subject which can come before them ; who, in giving an account of the most valuable branch of our commerce, leave out 33,962,272 dollars, or more than half the amount.

We are aware it may be said by some of their apologists, that if they omitted cotton and tobacco in 1796, they did the same in 1825, but this does not equalize their statement, because at the former period the culture of cotton had but just commenced, while at the latter it was our principal staple.

We admit, however, that considering the increase of wealth and population since 1796, our exports are much less than might be expected, and this is *owing principally to the effects of our system of high duties*. "Exports (as we are told by Mr. Tibbits) must be equal to imports." If we diminish the consumption of manufactures and produce of foreign nations by excessive and prohibitory duties, we diminish their means of purchasing and consuming the produce of our country.

There is indeed another way of accounting for this blind and deceptive statement we have been examining, and it is what we have before adverted to ; the determination of the party we are opposing, to throw out of the case all the exports of the southern or "plantation states" (as they are termed) either as comparatively speaking unimportant to our national welfare, or at any rate as not contributing to the prosperity of the northern and middle states ; and this indeed embraces the fifth and last point we are attempting to refute.

To make out their case, the most laboured and plausible estimates have been circulated, contrasting the small amount of exports from the manufacturing, compared with the more agricultural states. The gross inaccuracy of some of those, coming too from their most respectable advocates, has already been exposed. But if they had been correct in their statements and proved that not a dollar's worth of produce had been shipped for 20 or a hundred years, north of the Potomac, it would not by any means follow that it would be just or expedient to tax and destroy the trade of those sections, whose situation and circumstances enabled them to export ; nor would it prove, what our opponents have taken infinite pains to have believed, that we do not participate, and that too, in a very high degree, in the advantages of this so much envied export trade.

Will our opponents pretend to say, that a foreign trade is not beneficial to any of the states, but such as can furnish from their own soil the productions which sustain it ? If such was in fact the case,

one quarter of the Union would be excluded from its advantages. There are at least some five or six states, whose principal staples never reached the shores of Europe, and never will perhaps, till the tides of the Atlantic flow to the foot of the Alleghanies. What is it, we would inquire, which prevents our enjoying in common with the southern states the advantage of their great agricultural staples? Is it distance or difficulty of communication? This certainly cannot be the case, for New-York is much nearer to Virginia, than we are to some of the manufacturing states, and New England generally, can communicate with the Carolinas, much sooner and at less expense than with Ohio, or many parts of Pennsylvania and New-York; yet no one will deny the advantages we derive from their agricultural productions. Why then draw a line at the Potomac, as if the country beyond that had a distinct interest from the northern sections? Why array the northern and middle against the southern and south-western sections, as if we were not the same nation, and the advantages peculiar to each were not shared in common? "Are not the lines already drawn (says one of their advocates) and is it not whether freemen or slaves, whether white men or black men, shall rule the destinies of this country?" Such are the distinctions, and such the language made use of by many of the party we are resisting, towards the people of those sections of the country, who in common with a large majority here, reprobate the prohibitory system.

We have before observed that New England, and such of the middle states as are likely for the next 50 years to share with her in the business of manufacturing for other states, are already comparatively populous, employed extensively in commerce and manufactures, and of course consumers of their own productions to an extent, which under any circumstances, not only affords us little for export, but obliges us to be large importers for our own consumption; and this has been our situation for a long period of time. Our capital and labour however have not been, and are not now idle, and if we may judge from the superior degree of comfort, and wealth enjoyed here, over the "plantation states," they are employed in a more profitable way. We are then, compared with the southern and western sections, a commercial, navigating, manufacturing people, and consuming more than we raise, we must depend for our agricultural exports on those sections, which are less populous, and entirely dependant on agriculture; *while they* leave to us the benefit of transporting their produce, and take from us largely the various products of our industry.

We have no means of ascertaining precisely, as we have before observed, the origin of all our exports, but it is conceded that a very large proportion of our domestic articles, varying from year to year from three fifths to three quarters of the whole amount, are the produce of the southern states; but whether more or less, is of no importance in our view of the case to the subject we are discussing, since we share with them in the advantages of this trade.

We certainly will not undertake, nor would it be possible, to point out, the exact measure of benefit enjoyed by us, in the results of southern labour. We will however select the principal commodity, and by tracing in a general way the course which it takes, endeavour to illustrate our meaning. The last crop of cotton, or all which was brought to the various sea-ports for exportation, is ascertained to be about 970,000 bales. The whole of this, whether sent to Europe or consumed at home, must be transported by sea. About 375,000 bales have been, or will be sent to the northern ports, commencing from 30th of September, 1826, and ending 30th of September, 1827; of which about 250,000 bales, will be re-exported to Europe. From New-York alone 205,975 bales had been re-shipped between the 1st of October, and the 1st of August. The residue goes direct to Europe, from the cotton ports, on which a freight is paid of from three farthings to one penny sterling, occasionally higher or lower.

That which is re-shipped from the northern ports, pays a half penny per pound, occasionally a little lower; but as this also pays a freight from the south, it will be within bounds to say, that the whole crop of cotton pays a freight on the average of three farthings or 1 1-2 cents the pound. All that is sent coastwise, goes in American vessels. Of the portion shipped to Europe, perhaps a tenth goes in foreign vessels, such being about the proportion of foreign to American vessels, engaged in our commerce for the years 1825 and 1826. Now taking the crop at 970,000 bales, and allowing 340lbs. to a bale, gives 329,800,000 pounds, and the freight at 1 1-2 cents amounts to 4,947,000 dollars. The other charges on cotton are commissions, shipping charges on what is brought to the north, interest on northern capital for 6 to 10 months, employed in transporting it, and premium of insurance, which may amount in all, to five per cent on the whole crop, valued at 9 cents per pound is 29,682,000 dollars. These charges amount to 1,484,100 dollars, and added to the freight is 6,431,100 dollars, nine tenths of the amount of which is distributed among American ship owners, merchants, labourers, capitalists, mechanics and citizens generally, and not as in the woollen business, to 90 or 100,000 persons, but to several millions. Of the shipping employed, if we take the table of tonnage for 1826, nearly one half would belong to New-York and Massachusetts, one eighth to Maine, and about seven eighths of the whole to states *north of the Potomac, or the manufacturing states*, according to the distinctions now made. We here have a statement, and certainly not an over-charged one, of the direct benefit the northern states receive, and for the transport chiefly, of a staple of which the gross value on the plantations is only 29,682,000 dollars, and a deduction of 1 1-2 cents a pound for bagging, factors, commissions, and transport to the shipping ports, would reduce the amount to 24,735,000 dollars.

If then we allow one tenth of these charges to foreigners, and one eighth of what remains to shipping *owned south of the Potomac*, there

would remain about 5,000,000 of dollars (on a staple worth only 24,735,000 dollars) which goes to the direct support of the northern states.

Let us now see what becomes of the proceeds of this cotton.

The 374,000 bales sent to the Northern ports are principally, if not entirely paid for, by the produce and manufactures of the Northern States, or with foreign goods purchased in exchange for Northern productions. This fact may not come within the observation or knowledge of all our readers, but we appeal with the greatest confidence to the merchants generally, more especially those of New York, through whose hands most of this trade passes, to confirm the correctness of our assertion.

We inquire still further, what becomes of the proceeds of that part of the crop which goes direct from the South to Europe?

We shall find that a very large amount returns to Northern hands, in payment for Southern debts incurred by the purchase of Northern produce and manufactures.

If what we have stated is true, and no one can deny that it is so, will it still be said or believed, even by those who persist in saying it, that the cotton planters of the South do not promote the employment of Northern capital and labour, and that we do not participate with them in the benefits of their exports?

If such was not the case, what has become of the 400,000,000 dollars or more, proceeds of cotton, for the last 30 years? Have the planters invested it in bank stock or national securities? It is well known that they hold very little of either. Much of these earnings have no doubt been expended in the improvement and extension of their estates, but a far greater amount has been distributed in the Northern sections, and could we trace it through all its channels, no small portion of it would be found in the purses of those wealthy manufacturers, some of whom are forcing upon the nation a system which will injure and disaffect their best customers. What we have said of cotton applies equally to tobacco, rice, naval stores, and all the Southern and Western staples. There cannot be a day's useful labour performed in those sections, in which we do not share with them in its benefits. To think otherwise implies total ignorance of the nature of trade, and of our connexion with the Southern States. We are told, however, with a great deal of emphasis, that the consumption of cotton is immensely promoted by the new system. How so? Would not the material manufactured here be used for similar purposes, by those foreign manufacturers who would furnish us with goods? No one can deny this, and we say to a greater extent, if foreign goods come cheaper, and for a most obvious reason, that the lower the article the greater the consumption. So far then are the cotton planters from being benefited by the tariff of 1816, that besides paying a great increase of price on articles of the first necessity, the effect of it has been to *lessen the consumption of their staple, on*

which 2,000,000 of people mainly depend for subsistence, instead of the 300,000 persons which Mr. Davis, and other authorities affirm, comprehend the whole number engaged, both in manufactures of cotton and wool.

Burdensome, however, as has been that measure, the cotton planters have borne it. They have not, we believe, ever sent in a petition against it, nor even against the additions since made after the law was altered. *It is against still further encroachments, they are now contending.*

Again, it is asserted by Mr. Everett in his Convention speech, "that as far as our domestic cottons take the place of India goods, their manufacture is a clear addition to the demand for American cotton;" leaving it to be inferred by this sentence, and what preceded, that the high duties imposed in 1816 had forced India cotton goods out of use. In the first place, if this was true, the quantity of the raw material in question, is of no moment whatever. Our average consumption of India cotton goods, for 10 years before the protecting tariff of 1816 passed, did not exceed 8400 bales a year. The quantity of cotton they required could not have exceeded 12 or 14,000 bales, which in a crop of 970,000, or even 500,000 bales, has no influence whatever.

In the next place, the expulsion of India cotton goods has no more to do with the tariff of 1816, than the question of the North-West passage or perpetual motion. Cotton manufactures of all sorts have been so much lower in England than in India for 10 years past, as to form one of the principal exports from that country to all parts of Asia, to a much greater amount than we now consume of those fabrics.

No cottons made in India could have been imported here without loss, had that tariff never been passed, *nor at this time with a bounty of 20 per cent, it is therefore the great decline of goods in England which has forced them out of use, and not the "American System."*

Our opponents again contend, that Southern interests have an equivalent in the prohibitory duties in favour of their staples; *snuff, tobacco and cotton.* On the latter 3 cents a pound, which Mr. Carey says, "is 35 to 50 per cent, and actually prohibitory;" and adds, "he trusts no man of honour will deny it." What men of honour will deny or affirm, is not the business of this committee to say. It is the argument founded on this statement which we are to consider, and we beg leave to call the attention of our readers to it, as coming from a man whom the advocates of non-importation and non-exportation profess to look up to as one of the principal founders of the "American System," and in whose and Mr. Niles' publications, we have seen most of those statements and reasonings, which have been so often brought forward, and repeated in conventions, in congress, and elsewhere. The duty on tobacco, was always inoperative, as it has

been on cotton for 25 years, and when first imposed in 1790, it was not a protecting duty, for the cultivation had hardly commenced. It was a duty for revenue, and a very moderate one, since as the price it then bore, 30 to 33 cents a pound, it amounted to only 10 per cent. The making of snuff, we apprehend, is more beneficial to the Northern manufacturer than to the Southern planter, and if not, it is too insignificant to be of any importance in such a question as this. We will, however, venture to say, that the Virginians will not only surrender all the profit, but pay for all the snuff used in this country since the date of their charter, *for a few years of their portion of the woollen tax.*

To talk of protecting the interests of the south, by duties on articles which are notoriously cheaper there than in any section of the globe, must appear to every one as it does to this committee, to be trifling with the subject. What would the inhabitants of New England think, if in reply to complaints against a heavy tax imposed on the nation to promote the culture of tobacco and cotton at the south, they should be told by the people of those states, that "congress had for their benefit, imposed a high duty on the importation of codfish and lumber from France and England?" It strikes the committee that such an answer would appear something like a sarcasm, and we should conceive that a statesman who treated the business in this manner, evinced either a gross ignorance of his subject or a most insulting levity.

Yet this is the language, and such the arguments used by the statesmen and economists whom we are opposing, to reconcile southern people to an unequal, unjust and burdensome taxation, and when they are rostrated under it, *they complain of their irritability.*

To those who have read with attention the numerous publications of the advocates of the "protecting system," nothing can be more striking and offensive, than the utter disregard displayed in many of them, to southern interests, southern feelings, and southern rights. This must be a cause of regret to all reflecting men; for whatever zeal may be felt on the one hand, or indifference on the other, among our own citizens, it should be considered that this is not a mere abstract question, unimportant in its effects, and when once determined may be expected to subside into that state of quietness and oblivion which many others do.

It is a question involving in its consequences our whole foreign and domestic policy, and whether settled in favour of one party or the other, there will be sufficient causes of animosity, without those constant appeals to sectional prejudices, from which the worst effects cannot fail to flow.

The southern production, however, on which most stress has been laid, is the article of brown sugar; on which Mr Carey says, there has been imposed "the exorbitant duty of 3 cents a pound, equal to 75 per cent to 100 per cent, for the protection of the wealthy planter of Louisiana."

In the first place, even at the present low price of sugar, the duty is very considerably less than is represented; it would not average over 60 per cent. In the next place, so far from being levied "for the benefit of the rich planter of Louisiana," it was established at 2 1-2 cents a pound, *before we acquired possession of that country.* The duty was not imposed for protection, but for revenue, and did not amount, at the price sugar then bore, to more than 25 per cent. In 1812 when the war duties were laid; it was, with other rates, doubled, making 5 cents a pound. In 1816, when our system was changed from moderate duties for revenue, to what is called the "protecting system," what did congress do in reference to this article? They lowered the rate to 3 cents a pound, leaving only an addition of 1-2 a cent a pound; while they raised the duties on cotton goods on an average, to 50 or 60 per cent, and gave to the woollen manufactures a duty of nominally 25, really 29 per cent, instead of the former rate, previous to war duties being established, of 15 per cent, and subsequently raised it to 38 per cent, which the manufacturers contend must still further be advanced from 38 to 139 per cent, averaging perhaps 80 per cent. It should be borne in mind, that in April 1816, when the Tariff passed, the prices of brown muscovado sugars, exclusive of duty, averaged 10 to 12 cents, making the duty 25 to 33 1-3 per cent, according to the qualities of the article.

Thus it appears that since Louisiana was admitted into the Union, government has added 1-2 a cent a pound to duty of 2 1-2 cents, "to protect the rich planter," while woollens have since that time been raised from 12 1-2 to 38 per cent, and cottons to 4 or 5 times the rate they then paid. We will now estimate the whole protecting duty paid on sugars, compared with what is paid on woollens. We admit that the duty operates in the case of sugars as in woollens, to increase the cost to the consumers, by the amount of duties paid.

The consumption of brown sugar similar to the Louisiana, may be about 45,000,000 pounds, of which 25,000,000 pounds are raised in Louisiana; the whole duty is 1,350,000 dollars; of this sum 750,000 dollars, being 3 cents a pound on all which is raised at home, goes to the Louisiana planters, and 600,000 dollars being the duty on what is actually imported, goes into the public chest for revenue, of which we all share the benefit.

The amount of woollens consumed in the United States is 72,000,000 + dollars, on which the duty at 38 per cent amounts to 27,360,000 dollars. The average importation for 1825 and 1826 is 9,000,000 dollars, the duty on which is 3,420,000 dollars; of the protecting duties on woollens 3,420,000 dollars, go into the treasury of the United States as revenue, and the balance, 23,940,000 dollars, is the tax paid by the nation at large, for the benefit of the woollen manufacturers; yet all their memorials go upon the assumption, *that very little has been done in favour of the woollen manufactures.*

It would appear then, that on comparing the bounty received by "the wealthy planters of Louisiana," with the bounty paid to the woollen manufacturers, that the former receive 750,000 dollars, and the latter 23,940,000 dollars. The number of manufacturers, we are informed by Mr. Davis, and other good authorities, are from 90 to 100,000, directly and indirectly employed; but as we have before shewn, that three quarters of all the woollens consumed in the United States were made at home, when the duty was but five per cent, and that no complaints were made of want of protection, it will be admitted by candid men, that this tax is levied that we may support 25,000 additional manufacturers. Of the number of persons dependant on the cultivation of sugar, we have no very accurate means of judging, but we should imagine the number could not be fewer than 25 or 80,000 persons.

As some of our opponents may be inclined from the magnitude of the woollen tax, to dispute the principle on which it is estimated, we will give them some of their most valued authorities to shew that they have sanctioned its correctness. In a speech of Mr. Davis, on the woollens bill, in referring to the burden imposed in the manufactures by the high duty on wool, he observes—"It is no answer to this view of the subject, to say that a large portion of the wool used here is purchased of our farmers; *for as long as wool is imported, the foreign article will regulate the price*, and when American wool of equal quality falls below it, importations will cease," and Mr. Carey in one of his essays, discussing the same subject, affirms, "this operates most oppressively on the manufacturers, as the quantity of wool produced in this country, notwithstanding a great increase of late, is inadequate to the demand, and they are obliged to depend much on foreign supplies; and it has been justly observed, *that the price of the domestic article is regulated by that of the foreign.*"

The principle has also been fully recognized by Mr. Everett in his convention speech, and by many others who have been equally zealous in advocating the non-importation system. We will cite still another authority, for the satisfaction of the doubtful. It is from the report of Alexander Hamilton, whom our opponents have affected to rank among the supporters of their policy, though as we shall hereafter show, without the least reason. In a discussion upon the nature and effects of protecting duties he says, "They evidently amount to *a virtual bounty on domestic fabrics*, since by enhancing the charges on foreign articles, they enable the national manufacturers to undersell all their foreign competitors." And such is the operation of the duty on woollens, and all other duties imposed on importations. When the duties are sufficiently moderate to permit the importation of foreign goods, such duties go into the public purse, for the benefit of all, they then operate like any other taxes, and though the manufacturers benefit by them, no one can complain; since if revenue was not collected in that way, it must be in some other; but when

duties are so high as to prevent importations, the tax is still paid by the nation, but instead of going into the general fund, it goes into the pockets of the manufacturers; and this is one of the necessary consequences, *though by no means the most injurious*, of the "American System."

We beg it may not be understood from any thing we have said, that we are arguing in favor or in defence of the sugar duty. *We readily admit it is too high*, and that if this staple continues at its present low price, the rate should be lowered, and we have no doubt the Louisiana planters will agree to this, when the Tariff shall undergo that revision, which the national welfare so much requires.

These geographical distinctions, these comparisons of southern and northern trade, this balancing the pretensions of woollen manufacturers against the rights and interests of all other classes, is a most unpleasant task to the committee; but it is none of their seeking. If a few hundred men, powerful we admit for their wealth and talents, having a deep interest at stake, and influencing some thousands of others, who are interested in a less degree, aided and stimulated by other able and ambitious men, acting from considerations equally selfish and personal, choose to identify their private and particular interests with those of the public, (against whose welfare their system must operate,) and to assume the name and authority of the 5 or 6,000,000 people of the eastern and middle states, and to represent them as favourable to what we consider their impolitic and unjust schemes, we are bound in duty to ourselves, to deny all participation in their opinions and views.

It certainly cannot be denied, that at this moment there is an appearance of indifference and acquiescence on the part of the public, to the designs of this party, but we err very much in our estimate of the good sense and good principles of this part of the nation, if when half the pains have been taken to expose the effects of this policy which have been displayed in its establishment and promotion. We say, we are very much mistaken, if when that time arrives, there is not, we will not say as great a proportion, but as large a number opposed to it on this side of the Potomac, as on the other.

We conclude this division of our report, with expressing our belief that all impartial men who may examine our statements and our arguments, will agree that we have in the first place, proved the incorrectness of the facts on which our opponents rely for the establishment of their positions, and in the next, if we admit them to be true, no such consequences would flow from them as they would have us believe.

SECTION 8. Another reason alleged by the woollen-manufacturers for an increase of duty is, that a reduction of certain duties on wool and other articles used in the manufacture of cloths, amounting to 16 2-3 per cent, was made by the British government subsequently, and in consequence of the alteration of our tariff of 1824, by

which the intention of that law was defeated, and that Congress is bound in justice to give at least such an addition to the present rate, as will equal these taxes, from which the British manufacturers have been relieved.

That we may do no injustice to the party we are opposing, we pursue the plan we at first adopted, of selecting the statements and arguments we are attempting to refute, from the most respectable and best known supporters of the prohibitory system. Mr. Lawrence, one of the most intelligent woollen manufacturers, and a member of the Harrisburg Convention, in a speech at the Boston Woollens Convention, held in June, in speaking of the tariff of 1824, states, "the British duty on wool was at that time six pence the pound, *but no sooner did the British government hear of this act of the Congress of the United States, than they reduced the duty on wool to one penny the pound, and subsequently the coarser kinds to an half-penny a pound.*" From a speech of Mr. Davis, in Congress, made during last winter, we extract the following: "At the time when the tariff of 1824 went into operation, all the wool imported into England was subject to, and paid a duty of six pence a pound; *by a subsequent modification of her tariff, this was reduced to 1 penny a pound on all wool costing over one shilling a pound.* Mr. Everett, in his speech at the Boston Woollens Convention in June, inquires, "why should we allow the British Parliament to repeal the law which we have passed for the protection of our farmers?"

"In 1824," continues Mr. Everett, "the American Congress saw fit to give the farmer the benefit of a progressively increasing duty, rising to 30 per cent on imported wool. The British Government immediately thinks fit to lower the duty on wool 44 per cent;" and again, "taking 20 cents per pound to be the average price of the kind in question, the duty upon it after these two reductions is but 4 per cent; before the reduction it was 48 per cent. The manufacturer in England has consequently received an advantage of 44 per cent on his wool. But the wool is estimated to be about a third part of the cloth, consequently the manufacturer has gained 14 2-3 per cent in the fabric of his article, by the reduction of the duty on wool." There were also other alterations of duties on rape seed, olive oil, logwood and indigo. "The amount," says Mr. Everett, "of all these, and some other reductions, was stated by Mr. Huskisson, at from 1 to 2 per cent on the manufacture. I believe it is nearer twice that amount. Taking it however at 2 per cent, in addition to the 14 2-3 per cent already mentioned, it reduces the effective duty in this country on foreign woollens to 16 2-3 per cent, that is, just one half."

The argument founded on this statement, has been urged with much ingenuity and force, not only at the late woollens meeting in this city, but for twelve months before, in various other meetings, and in memorials, speeches, essays, &c. and with an earnestness

which evinced the strong reliance the manufacturers placed upon it. They have not indeed been mistaken in their estimate of its effect, for nothing we believe has made so deep an impression in their favour. If our readers, however, will give us their attention, we hope to convince them that this is a delusion, which like many others on this subject, owes its success entirely to the indolence, or indifference of those who having the means of detecting its unsoundness, allow it to pass without examination; or perhaps still more to the confidence the public are disposed to place in the authority and understandings of those who have chosen to give it currency. A reference to the extracts, and a consideration of the speeches from which we have taken them, will show that they mean to assert the following propositions:

1st. That the British Government reduced the duties on wool, and certain other articles, in consequence of, and subsequent to, the passing of the tariff law of 1824, and with a view of defeating the provisions of that law.

2dly. That our Government is pledged in good faith, to give the woollen manufacturers such an addition to the present rate of duty, as will equal the taxes of which the British manufacturers have been relieved by their Government.

3dly. That these reductions referred to, diminish the cost of woollen manufactures in England 16 2-3 per cent.

In regard to the first, it appears manifest from what is here advanced, and the general scope of the speeches to which we refer, that our opponents would have us believe, that the British Government on hearing of the passage of the tariff of 1824, had from a spirit of hostility towards our manufactures, made sudden alterations in their system of duties, to enable their manufacturers still to undersell ours, and thus to countervail the benefit of the increased duty granted by our Government in 1824; or to use the words of Mr. Everett,* "*had repealed the law passed by the American Congress for the protection of American industry.*" The effect of these representations, is, in the first place, to establish a claim on the justice of our Government, to make good to the manufacturers what was intended to be given them by the tariff of 1824; and in the second, to excite a spirit of hostility towards a rival manufacturing nation, standing in the way of the woollen manufacturers. Our objections to these statements are, in the first place, that they evince a very bad temper†

* "Unless the American people think it just and fair, that the laws passed by the American Congress for the protection of American industry, should be repealed by the British Parliament, and that for the purpose of securing the supply of our market, to the British manufacturer to the end of time, it was the duty of Congress to counteract this movement." Everett's Speech.

† "Believing, of course, that there is no wish to single it out, (the manufacture of woollens,) for unfriendly legislation at home, I cannot sit still, and see the gigantic arm of the British Government stretched out across the Atlantic, avowedly to crush it." Everett's Speech.

towards a nation, with whom our commercial transactions are of greater magnitude, and greater value to us, not only than those with any other nation, *but than with all Europe besides; and in the next, that they are founded on an entire misrepresentation of facts.* The real truth with respect to the duty of six pence a pound on British wool, as stated by Mr. Robinson, (Chancellor of the Exchequer,) is, "that it did not exist till 1819, for up to that time it had only been one penny the pound, and it was imposed not as a duty of protection, but of revenue."

"These duties were not the established practice, but an innovation on the established practice of our ancestors." Petitions for its repeal were sent in as early as 1820, and attempts then made, and renewed from year to year, to reduce it to its former rate, but were resisted till 1824, when the necessities of the nation, no longer rendering it indispensable, it was, with the duties on some other articles, reduced. The alteration of the duty on wool was then, only returning to their former system. It was no doubt a relief to the manufacturers and still more to the consumers, but it was done without any particular reference to our tariff, and the measure would unquestionably have been adopted, had no change taken place in our duties. In the various debates from time to time on the subject of this tax, and that of the manufacture of woollens, the importance of supplying the United States with coarse woollens is dwelt upon by one speaker, *but it was the competition with the continental manufacturers, which all the *advocates for reduction had chiefly in view, and not those of the United States.* Indeed when it is considered that the annual product of this branch of manufactures has been estimated by good authorities at £45,000,000, or at the present exchange 220,500,000 dollars, and that our imports for the last year, of all sorts of British woollens, is only 7,014,984 dollars, of which a considerable amount was re-exported, the loss of this market cannot be deemed of such vital importance, as many persons imagine. Great Britain no doubt places a due value upon our purchases of her manufactures, but we must not overrate their importance.

Under the present enormous duties imposed on her staples, amounting to 3 or 4 times as much as she levies on ours, we shall soon reduce our imports, so as to render what little amount we may require of no importance whatever. This indeed is the natural effect of the "American System," and such is the result to which we are fast approaching.

Having shown that the repeal of the wool duty was petitioned for, four years before the passing of the tariff of 1824, let us now compare the date of that law with the passage of the British act redu-

* "But it was not in America only, we should find ourselves pressed by the continental manufactures; that opposition would meet us in every quarter of the world!!" Lord Milton's Speech on wool duty.

cing the duty on wool. On referring to the laws of the U. States, we find the tariff act dated 22d of May, 1824, while the act reducing the duty on wool passed 180 to 20 in the house of commons 21st of May, 1824. How then can it be said that a law *petitioned for in 1820*, which passed 21st May, 1824, (30 or 40 days before the passage of our law was known in England) could have been enacted subsequently to, in consequence of, and with a view of defeating the provisions of a law passed in this country on the 19th, and signed 22d of May of the same year? We repeat again, the repeal of the wool duty in England, had no reference, and could have had none, to the passage of the tariff of 1824. There is too the most ample evidence in the Parliamentary debates from 1819 to 1824, (to which we refer our readers) that this measure had not the smallest connexion in the minds of the British ministers, with any of the proceedings of our government in regard to our own woollen manufactures, nor in the minds of the manufacturers who petitioned for it.

Here then are the facts utterly disproving the assertions on which the strongest argument in favour of the pretensions of the woollen manufacturers is founded. But it will perhaps be said that the British act, if not passed subsequently to the alteration of our tariff, was enacted with the knowledge or belief that such a measure would be adopted. As we have before shewn, the repeal of the duty on wool (which was but a return to its former rate) was petitioned for four years before our tariff passed, and as to the Parliament anticipating that such a law would pass, there is not the slightest ground for that supposition, as the measure was unexpected even here, till it actually became a law. Parties were so nearly balanced as stated by Mr. Stevenson in the debate in Congress, on the tariff last winter, "that the house was equally divided on the woollen question, and it was settled by a compromise with the senate," this is also confirmed by a senator of New-York, who voted for the bill. The main question passed the house by 107 to 102, and to a third reading in the senate by 25 to 22. It is also worthy of note, that it was perfectly well understood in Congress, *while the tariff of 1824 was under discussion, that an act was before the British Parliament for this reduction of the duty on wool, and that it would probably become a law.*

They were reminded of it both in the senate and the house by several members, and among others, by Mr. Webster, in the following words, "while I am upon this subject, I would notice the recent proposition of the English Parliament, to establish the tax on imported wool."

On such an occasion it might seem ungrateful in the committee, were they to pass this name, without offering their sincere tribute of thanks, for the manly efforts made by this intelligent statesman, to resist a system, founded on principles most justly termed by him, "the result of ignorance, partiality and violence;" and they most earnestly recommend the various speeches made by him in Congress, and

elsewhere, as containing the soundest and most convincing arguments against its impolicy, absurdity and injustice.

In answering the assertions on which the arguments of our opponents are chiefly founded, we have dealt with them, as the cause of truth required; we would not, however, have it inferred that we mean to impute to the worthy men who made them any deliberate design of imposing false statements on the public. We presume they took the facts from others. We cannot, however, but express our regret, that gentlemen, who from their talents and stations, are held up as guides to public opinion, and as founders of a new policy, should not look for information to more correct or purer sources.

In answer to the second head, we reply, that if the supporters of the contemplated Tariff mean to rest their right to an increase of duties on woollens, on the fact of their having been deprived of half the duty given them in 1824, by an act passed in England in consequence of, and subsequent to that law, and with a view of defeating its provisions, we say we have furnished indisputable proofs, that such a claim is unfounded and cannot be sustained on that ground. If, on the other hand, they mean to maintain, as Mr. Everett has done, "that the principle on which it (the Tariff of 1824) was formed, was to enable each article as manufactured at home, to sustain a competition with the same article imported," we apprehend, that independent of all other considerations, such a principle would subject our legislature to insuperable difficulties. Let us examine some of the consequences to which it must inevitably lead. What is it they contend for in the case of woollens? Why, that taxes to the amount of 16 2-3 per cent. having been removed from the British manufacturer, an equal amount must be imposed on the American consumer, to enable our manufacturers to hold a competition with the British. If then the taxes removed by the British government had amounted to 50 or 100 per cent., our manufacturers would have been entitled to 50 or 100 per cent. more duty, and so on to an unlimited extent.

We will now imagine, what has indeed often occurred in those periods of ignorance and injustice, to which we are frequently referred by our opponents for precedents, that the British government, in order to sustain a favourite branch of industry, should grant a bounty of 30 or 40 per cent on all woollens exported to the United States for 50 years. Such a measure however foolish and inexpedient on the part of England, could not fail of being advantageous to us as a nation, though it might be fatal to our woollen manufacturers. But if Mr. Everett's principle is acted upon, a corresponding change must be made in our laws, and our own consumers taxed precisely in the ratio in which foreigners are relieved from taxation. It may be said this is an extravagant case and not likely to happen. We think so too, not till the return of those ages of darkness when such systems originated; certainly not during the lives of the enlightened

and politic statesmen who now rule in England. *It is however precisely the course recommended to, and which has in fact been adopted by our government.* In such a case as we have supposed, Great Britain might be obliged to pay perhaps 8 or 10,000,000 of dollars a year on the extended importation we should make under such a bounty. This is a large sum, but what is it to the tax of 27,360,000 dollars we now pay, and which, if our opponents succeed, is to be doubled? We will now suppose that Congress had granted at the last session, the 16 2-3 per cent duty which Mr. Everett affirms the woollen manufacturers have a right to; and that before the termination of the ensuing session, we should have information that the poor tax of 30,000,000 dollars a year had been assumed by the British government; our Congress could not in such an event refuse to grant a further duty on woollens, equal to what the British manufacturer had been relieved by that measure. Having satisfied this demand, we should then hear of the contemplated modification of the corn laws having passed, (and that such a measure will pass the next year, there can be no question,) we should then be called upon for a further increase of duties. The alteration alluded to, would it has been estimated, lower the price of all sorts of grain used in Great Britain three shillings a quarter, which on 48,000,000 quarters consumed, would amount, at the current exchange to 35,360,000 dollars per annum, and afford a vastly greater relief to woollen manufacturers, than they could have gained by the reduction of the duty on wool, as we shall hereafter show. And thus in case of any improvements in machinery, a decline in the rate of interest or in wages, or any other circumstance lessening the cost of woollens, our manufacturers would have an equal claim to still further duties, since according to Mr. Everett, "the principle of the Tariff was to enable each article manufactured at home, to sustain a competition with the same articles as imported."

If however the principle is a correct one, it must be extended to cotton goods, glass, hard ware, iron, linens, and every other article which can be imported from England in competition with our domestic manufactures, and not only from England, but from every other quarter of the world. Still further, keeping this principle in view, this government would be bound to make corresponding reductions in our Tariff, in case new taxes should be imposed on any foreign manufactures which when imported into this country could come into competition with our domestic manufactures. Mr. Everett complains of the British government "having laid its hand on our statute book, and taking half the duty imposed by the Tariff law of 1824." What then would be our condition, if the principle he advocates was once adopted? We should have to regulate our movements not only by British legislation, but by all the fluctuations which might occur in any quarter affecting the cost of such manufactures as might come in competition with our own. We are not now rea-

soning on extravagant and improbable suppositions, but upon the natural and necessary course of events, some of which we know must happen.

The principle we are contending against, needs only to be examined and traced to its practical consequences, to shew not only its unsoundness, but its utter impracticability ; to say nothing of the monstrous notion it involves, *that every burden removed from the manufacturing population in Europe, should be transferred to us, and for what?* Why, that a certain amount of capital and labour may be devoted to the making of goods, which in the case of woollens, the manufacturers admit, (by the duty of 80 per cent they require for their protection,) may be had for little more than half the money elsewhere. In other words, and it cannot be too often repeated, if woollens can be imported 38 per cent cheaper than they can be made at home, (and the manufacturers say they can 80 per cent,) then we pay under the existing duty, an annual tax of 27,360,000 dollars to sustain the woollen manufactures ; or to bring it home to our individual interests, every family which expends 100 dollars in woollen cloths, pays a tax of 38 dollars to the manufacturers ; and if the contemplated Tariff passes, they will amount from 38 to 139 per cent, increasing according to the coarseness of the goods, so that the tax on the consumer will rise, *not in proportion to his wealth, but his poverty.*

While noticing the enormous amount of this tax, which the manufacturers themselves seem to think so lightly of, when they reproach us with resisting their efforts to double it, we will notice an objection to our estimate, on account of its largeness ; as if the magnitude of an evil was any argument against its existence.

Why is it, they ask, if such a large amount as 27,360,000 dollars is paid to sustain the woollen manufacturers, that there should be so much distress among them ? If such was really the fact, they would certainly grow rich in the business. We might answer this question, by proposing another. Why is it that a vessel discharging ten gallons, and receiving but eight in the same time, becomes exhausted ? We think it does not require the mind of a magician to comprehend the reason ; to apply this illustration to the case of the manufacturers, we say if they do not grow rich under the present duty, *it is because they expend more than they receive.* The fallacy which conceals the deception, lies in supposing that when a duty or a tax is levied for the benefit of manufactures, *it not only goes into the pockets of the manufacturers, but remains there.*

To illustrate more fully our meaning, we will imagine, that a supply of all the woollens we require, may be imported from Europe at four dollars a head, which for 12,000,000 persons would amount to 48,000,000 dollars, and that the same quantity would cost the domestic manufacturer 8 dollars a head, or 96,000,000 dollars ; but owing to foreign competition, or other causes, he should only be able

to obtain 6 dollars a head, or 72,000,000 dollars. It is clear in this instance, we should pay 24,000,000 dollars more for our domestic goods than foreign goods would cost, and yet the American manufacturers lose 24,000,000 dollars.

Here then is a case in which the consumer pays 50 per cent more for his clothing than it could be imported for, and at the same time the favoured manufacturer loses annually 25 per cent on the whole amount he manufactures. This is one of the evils of the forcing system.

We may go on, taxing the nation more than our whole annual expenditure, *to promote the success of only one article*, and not only fail of that object, but ruin those who receive this immense bounty; and this, according to the statements which have been published, is the present alleged condition of the woollen manufacturers, who, though enjoying the benefit of a protecting tax of 27,360,000 dollars, insist upon it they shall be ruined, unless it is doubled. We will here notice also an objection made by the manufacturers, to the term "monopolist," as applied to them.

They contend that the public cannot suffer, at least for a long time, from the effects of a monopoly, because competition will soon reduce goods to their proper level. We admit that if woollens or any other goods are in consequence of prohibition, or what is the same thing, prohibitory duties, above their natural price, the stimulus of high profits, will in time bring down the rates, and thus the injury and injustice to the consumers would be but temporary; but this would not secure them against the effects of monopoly, as regards foreign competition. Let us present a case which will explain our meaning. We will suppose the foreign manufacturer can supply woollens at four dollars per head, or 48,000,000 dollars; and that the domestic one requires eight dollars per head, or 96,000,000 dollars a year, to afford the usual profits of trade; but that owing to a want of competition, he is enabled to obtain ten dollars per head; we know that in time, his great gains, by inducing others to engage in the business, would bring back the price to the ordinary profits of manufacturing; but would that compensate for having the foreign article excluded, which could be imported for four dollars per head, or 48,000,000 dollars per annum cheaper? Does not the domestic manufacturer then enjoy the monopoly of the home market, against the foreign? No one we think will deny that he does, nor can any one justly refuse to the woollen manufacturer, who insists upon 80 per cent duty, to secure himself against foreign competition, *the appellation of a monopolist*.

Our opponents object also to the term prohibition, but we cannot comprehend with what propriety, since any rates of duty which will not enable the domestic articles to undersell the foreign, will be wholly inconsistent with the spirit of the "American System," as explained by its founders and ablest commentators. A duty which

comes a particle short of this, can be of no advantage to the monopolists. To our apprehensions it makes no difference to the consumers, *whether the law prohibits woollens, or only imposes such duties as will prevent their importation.*

Let us now proceed to the third allegation, and admitting, for the sake of argument, the truth of the first assumption, that the British Government lowered their duties on wool, in consequence of, and subsequently to, the passing of our tariff, and with the intention of defeating its object; and the justice and practicability of the second, i. e. the right of the woollen manufacturers, for such an addition to the present rate of duty, as would equal the taxes removed from the British manufacturers. The question then is, what do those reductions amount to? They are estimated by Mr. Everett and Mr. Davis, at 16 2-3 per cent. Now as the former of these two statesmen appears to us to rest the claim of the manufacturers to any further increase of duties, mainly, if not wholly, on the ground of this countervailing act of the British legislature, and the latter on that ground, and the want of new guards upon the revenue laws, they were bound to give some evidence beyond their mere assertions, of the correctness of the data on which their estimate is founded. In making this observation, however, the committee do not hesitate to say, that as far as their veracity is concerned, they should not fail to place the most perfect reliance on statements founded on their own researches, and which they should affirm to be true; but after the gross mistakes we have pointed out, it would, we conceive, be evincing an excessive degree of credulity, if we allowed any thing to pass, without examination. We must suppose, that on this, as on other occasions adverted to, they took their facts from men less disinterested than themselves, and we shall again shew how little reliance can be placed on their correctness.

To establish the 16 2-3 per cent, the following assumptions are made:

1st. That the average cost of wool imported into England is 20 cents the pound, and consequently a reduction in the duty of 5 1-2 pence sterling a pound, would amount to 44 per cent.

2d. That the cost of wool is about one third of the value of manufactured woollens,

3d. That a reduction of duty on the particular kinds of wool in question, affected the value of all wool used in England, in the fabrication of such cloths as are imported from that country, in competition with ours.

4th. That the reduction of duties on logwood, rape-seed, oil, indigo, and some other articles, amounted to 2 per cent.

Our first object then, is to show the cost of the wool imported into England, and we think the best evidence the nature of the case admits, is to be found in the Parliamentary debates from 1819, when the duty on wool was imposed, to 1824, when it was reduced. The

question excited a good deal of attention, and having been discussed by some of the most intelligent members, we may reasonably suppose that all the facts bearing on the case came out in the debates; and as the duty was a specific one, *the cost of the wool abroad was essential, to know the extent of the tax.*

Mr. Robinson, (Lord Goderich) Chancellor of the Exchequer, in a debate on petitions for a repeal of the wool tax in 1820, states, "of the imported wools, two thirds were of fine qualities from Saxony and Spain, and it was not supposed the duty in question had any effect on them." There were, however, some sorts (but not of so inferior quality as much of the British wool) on which the duty was considered burdensome. We make the following extract from Mr. Robertson's speech, to show the cost of the inferior wools imported, on which only the duty had an important bearing. Mr. R. is quoted by Mr. Everett as an authority to be relied upon.

In the debate on the repeal of the duty in 1824, he observes, "wools at from 1s. 6d. to 2s. 6d. were formerly imported from different countries in Europe, to the great advantage of the manufacturers of coarse cloths, which was the article of the most general consumption. The existing duty on the importation of these wools, almost amounted to a prohibition." Again, "when to this difference in the price of labour, was added the duty on importation of 20 to 25 per cent., he would ask, whether it was possible for the manufacturers of this country *to compete with the manufacturers of the continent?*" This statement is confirmed by Mr. Wilson, an eminent merchant and member of Parliament, who estimates the duty at 25 to 30 per cent. Uniting, then, these estimates, the duty would be 25 per cent. Here, then, is the testimony of two intelligent men, and strengthened by that of others in the same debates, all of whom were desirous of removing burdens from the manufacturing and commercial interests, and willing therefore to estimate the duty at its highest rate, and the most they could make of it was 25 per cent.*

By mistaking the kind of wool, in question, for an inferior quality, raised in England, and underrating its cost one half, our opponents have estimated the duty 44 per cent. instead of 25 per cent. at which it was rated by British merchants and manufacturers. It should be here remarked that only about one third of the imported wool was of this description; the remainder costing high prices was not much affected by the duty. The whole import of foreign wool, taking the average of five years before the duty was laid, was only 17,000,000 pounds, as stated in the debates by Mr. Western, an agricultural member.

* As an evidence that we have not under-estimated the duty on wool in England, previous to its repeal, we make the following extract from the Providence Memorial, published in November, 1826: "Previous to the adoption of the late Tariff, there existed a duty of 20 per cent. upon the importation of wool into England." It will be noticed that we have allowed 25 per cent.

Of this import about 5,000,000 pounds, as stated by Mr. Robinson, Chancellor of the Exchequer, were of the low qualities. It is true, that in the year after the duty on wool was reduced to its old rate, there was an increased import of wool in England, as there was of everything else, during 1825, but it was upon speculation, and sold at an immense loss to the importers. In 1826 the import had fallen to 15,996,425 pounds, which is something below what had formerly been the average. The whole consumption in England, as we have before mentioned, is 160,000,000 pounds.

It may be well to remark in this place, that Mr. Robertson, M. P. in the speech from which Mr. Everett has given extracts, to prove that the British government had lowered the duty on wool, *subsequently to, in consequence of, and with the view of defeating the object of the Tariff of 1824*, speaks expressly in the extract we have given, of the importance of enabling the British to undersell the *continental manufacturers*. Nothing is said about American manufacturers, nor anything, which upon the most partial construction of the various speeches of the debate, can furnish the slightest ground, that any of the speakers had them in view.

So that had not our opponents been entirely wrong in the fact with regard to the passage of the wool duty act, the inference which they drew from it, as to the motives of the British government, could not have been sustained by anything which passed in the debate to which Mr. Everett referred. We beg leave to call the attention of our readers to this circumstance as denoting that disposition, on the part of some of the leading advocates for monopoly and non-importation, to which we have before adverted, (and which has manifested itself in most of their publications) to excite a spirit of jealousy and enmity towards Great Britain as a rival manufacturing nation, which cannot fail to hasten that non-intercourse with her, which it is the interest of our opponents to obtain.*

We now come to the second assumption, which is that wool constitutes a third part of the value of manufactured goods. This is of course in reference to goods made in England, because those are the ones that come in competition with ours. Here again we must recur to British authorities. Mr. Curwen, an intelligent member of Parliament from a manufacturing district, in a debate on this subject, stated that, "wool when manufactured, on an average may be esteemed at least seven times the value of the raw material." Lord Milton, member for Yorkshire, who takes an active part in all de-

*Extract from Mr. Tibbit's Address. "The acts of England in refusing to take the agricultural productions of the middle and eastern states, in exchange for her manufactures, ought to be considered, by us, in the light of friendly and paternal admonition." Again, "I should consider it a great misfortune, if England should withdraw this monitory advice, and again admit our bread stuffs, provisions and raw materials. It would have a tendency to prevent us for a long time from rising to that solid and permanent elevation, to which by her policy, we are now fast approaching, and to which we may very soon attain by proper management."

bates on this subject, and is considered a good authority, says in a speech on the wool question, "cloth made of imported wool was worth five times the cost of the material." The difference between these two valuations may have arisen from Mr. Curwen's referring to the average of all goods made in England, and Lord Milton to that particular description made of foreign wool. It would be satisfactory to know the proportion in our domestic goods, but the committee have not been able to obtain such information as they could rely upon. From our inquiries, we should say something more than a quarter of the value of the cloth. The material in our manufactures would form a larger portion of the value than it does in England, because we make a larger proportion of heavy and low-priced cloths, in which the colours and labour are less expensive than in the fine and more highly finished fabrics of England.

It is, however, the proportion used in England, and not here, which we require, and we shall take it at one fifth, instead of one third, as allowed by Mr. Everett. Let us now apply these corrections to the calculations under examination. Our opponents by valuing wool at 20 cents the pound, which cost two shillings sterling, make the duty 44 per cent; and assuming one third the value of cloth to be in the wool, estimate the saving to the British manufacturer 14 2-3 per cent. We have furnished very satisfactory evidence from those persons in England, who were most desirous of obtaining the repeal of this duty, and disposed therefore to exaggerate its amount, that it was only 25 per cent. We have also shewn that in England, wool was considered as one seventh of the average cost of the manufacture, and one fifth of the cost of those goods made of their imported wool. If then we take the duty at 25 per cent, and allow one fifth of the value of the cloth to be in the material, the saving to the manufacturer is 5 per cent. This we would remind the reader, goes upon the idea, that all the wool used in England, was affected 25 per cent by the repealed duty on 17,000,000 pounds, their average import, *whereas only 5,000,000 pounds were of the low qualities, on which the duty had a material bearing.* And this brings us to the third point; in answering which, we shall show what was thought in England by statesmen and manufacturers, as to the effect which the measure we are discussing really had on their woollen manufactures. The imposition of the duty in 1819, as we have before stated, was intended wholly as a measure of revenue. The amount of this duty was only valued by the Chancellor of the Exchequer at £350,000. Mr. Huskisson, president of the board of trade, stated in the debate, that "the tax was so small, that it could not be expected to affect manufactures. Besides our exports were principally of the coarse and home-grown wool, which was not touched by this tax." The truth is, as is stated in all the debates, and proved by the British list of imports, the manufacturers required very little wool from abroad, and only some particular qualities, not much grown in Eng-

land. Most sorts were *cheaper in England than on the continent*, and at the very moment when the manufacturers called for the repeal of the import duty, they clamoured *against the removal of the prohibition, which prevented the export of British wools*, because they were unwilling their rival manufacturers on the continent, should profit by their cheapness. The prohibition was, however, removed, and a duty of one penny the pound substituted on exportation, by the very act lowering the duty on foreign wool. It appeared doubtful from the petitions and debates, that balancing the advantage of a reduction of the import duty on foreign wool, against the disadvantage of allowing an export of British wool, whether the manufacturers would gain or lose by the measure.

We quote from Mr. Robinson's (Lord Goderich) speech. "Some of the manufacturers thought the repeal of the duty *would be less beneficial to them, than the removal of the restrictions would be injurious, and were desirous that the matter should be left where it was, and that no alteration should be made.*" The majority, however, thought it would be advantageous *to accede to the proposed compromise*, that the duty on wool should be repealed, and a free export of wool allowed." This was repeated by Mr. Huskisson in another debate, in the following words: "He was confident the manufacturers themselves must think the monopoly of British wool was a boon to them, far more than any adequate loss arising from the tax."

We have now before us the best means it is possible to obtain, of ascertaining how much this reduction of five pence half penny the pound, on the small quantity of 17,000,000 pounds of imported wool, of which less than one third was of the low cost, paying 25 per cent duty, really affected the cost of woollens. We have before shown, that allowing all the wool consumed in England to be of that particular quality on which the duty bore materially, and that it was consequently enhanced 25 per cent, the saving to the manufacturers by a reduction of five pence half penny, would only amount to 5 per cent. in the cost of their cloths; but the consumption in England is 160,000,000 pounds, the average consumption of foreign 17,000,000 pounds, of which only 5,000,000 pounds were of such qualities as paid a high duty. Now if we connect this small import of wool with the well known fact, that most sorts of wool are cheaper in England than elsewhere, and with the declarations of the manufacturers, that they doubted whether they should not lose as much by the export of British wool, as they would gain by the reduction of the duty on the foreign wool, the fair inference is, that the repeal of the duty had little or no effect on the cost of woollens generally, though it might have had some bearing on particular kinds of fabrics, in which the foreign wool was principally used; but our importations embrace all the varieties manufactured in England. We will, however, admit what is far from being probable, that two fifths of the 160,000,000 pounds of wool used in England, or 64,000,000 pounds, will have-

been reduced 25 per cent in the cost to the manufacturers, and in that case the saving to the British manufacturer by the reduction of the wool duty, would amount to 2 per cent, and this indeed on the aggregate value of woollens, would be about 4 1-2 millions of dollars.

We now come to the last item in the examination of the estimate of 16 2-3 per cent, i. e. the reduction of the duties on indigo, logwood, rape-seed, and olive oil, and some other articles not mentioned, for all of which 2 per cent is allowed. As usual, our opponents offer no evidence, nothing beyond their loose assertions. They quote Mr. Huskisson as allowing 1 or 2 per cent, but at the same time *discredit their only authority*, by stating their belief that it is more than twice the amount.

The committee, on the other hand, think so highly of the fairness and accuracy of that able statesman, that they would rely on his calculations, with the greatest confidence; but it is evident he had made none. We quote from the speech to which Mr. Everett refers; "be the charge upon woollen cloths, for instance, only 1 or 2 per cent, even this small addition, with the present open competition with the foreign market, may turn the scale against us, and ought therefore to be abandoned." It is here very evident, that Mr. Huskisson speaks only in general terms, of the importance of making the smallest savings in the cost of woollen cloths, but does not mean to state what may be the precise amount of the duties under discussion. On reference to the various articles in the British tariff, alluded to by our opponents, we find the reduction on indigo to be one penny the pound, about 1 per cent of its value; logwood 4s. 8d. per ton, or about 2 1-2 per cent of its value; rape-seed from £10 to £5, and subsequently to 10s. per last; olive oil from £15 13s. to £7 per ton. It will be noticed, the most valuable article was only reduced 1 per cent. The consumption of indigo may perhaps be about 2,000,000 pounds, and if we allow half of it for cloths, the reduction on it would amount only to 18,578 dollars, and 2 1-2 per cent on the logwood consumed in cloths, could not exceed 2 or 3,000 dollars. What might have been the savings on the seed and oil, we have no means of judging, but if we suppose them to be to the extent 500,000 dollars, the whole amount gained by the manufacturers, would be but 520,000 dollars, on a branch of business estimated to produce 220,500,000 dollars, or about one quarter of 1 per cent; but as there are still some other articles not mentioned, we will call the whole savings an half per cent. It appears then that the whole sum gained by the manufacturers, by the repeal of the duty on wool, and the other articles referred to, could not exceed 2 1-2 per cent, instead of 16 2-3 per cent, as contended for by Mr. Everett, and others who have so often argued upon this statement. The existing duty on woollens is not 33 1-3 per cent, as stated almost universally by our opponents, but 38 per cent, from which deduct the 2 1-2 per cent, "repealed by the gigantic arm of the British Government," and

there still remains 35 1-2 per cent. We are aware it may be said, that the estimates on which the calculations of the committee are founded are in some measure conjectural; this, however, must necessarily be the case in all such matters, but it cannot be denied that we have taken our information from the best sources, and have given the authorities, that those who doubt, may examine for themselves.

In conclusion, we say we have offered in answer to the first proposition, undeniable proofs that the British Government did not reduce the duty on wool as has been alleged, subsequently to, and in consequence of the tariff of 1824, and with a view of defeating its provisions; and secondly, that admitting the truth of the first proposition, we think the principle they would maintain in the second, unjust and impracticable; and lastly, that allowing the manufacturers had a claim, equal to the taxes of which the British manufacturers have been relieved by the reductions referred to, the most which can be made of it is 2 1-2 per cent, which would still leave the *protective duty* 35 1-2 per cent, or an annual tax on the nation of 25,560,600 dollars. The *protective charges* would be 54 1-2 per ct. amounting to 39,240,000 dollars, which must be paid by the importers of foreign cloths, before they can meet the domestic manufacturer in his own market, *and yet the nation is called upon to double it.*

The committee have one more remark to make, and they close this part of their report. It has already been observed that Mr. Everett appears to rest the claims of the manufacturers to further duties on woollens, almost entirely on the countervailing act of Great Britain, reducing the charges on wool and other articles 16 2-3 per cent, and Mr. Davis in his speech, says, "*the duty of 33 1-3 per cent if fully enforced*, as was intended when the law was passed, would as effectually exclude the low priced woollens as 100 per cent." It would seem then that all which these two zealous advocates of the woollen manufacturers could ask for, consistently with their own arguments and professions, would be an addition of 16 2-3 per cent to 33 1-3, (which they supposed was the established rate,) making 50 per cent, and for some new provisions in the revenue laws, to guard against smuggling. If such really were their views, why, we would ask, did they vote with a party, who not only resisted all attempts to amend the revenue laws, but passed a bill, which offered to a class of men,* (charged by Mr. Davis as having defrauded the government of one half the duties on woollens,) the temptation of making 101 per cent, by altering the cost of an article one cent in the yard?

* "The law of 1824, gave a duty of 33 1-3 per cent on imported fabrics, and it was doubtless the design of the Government, that it should operate as a clear protective duty; but half or nearly that amount has been taken away by the modification of the British tariff, and the other half is evaded." Davis' Speech on the Tariff. National Intelligencer.

Again, if they thought 50 per cent all the duty which the manufacturers were entitled to, why did they vote for a bill giving rates of duty of 38 and 139 per cent, *and so strangely, and so unjustly contrived*, as to fall with the greatest weight on those who could least afford to bear them?

We leave it to the candour of our readers, to say, *if it is not at least a sign* of both the weakness and injustice of the cause, against which we are contending, to see its most ingenious advocates driven to such inconsistencies.

SECTION 9th. There is another reason frequently adduced, in favour of the exclusive and prohibitory system; oftener perhaps by its apologists, than its authors and more zealous supporters, viz:—That Congress having once granted high rates of duty, and thus encouraged the establishment of woollen manufactures, it is incumbent on the nation to maintain, if not to increase them. There are indeed many fair minded men who are ready to concede, that the existing duties on both cottons and woollens, are too high for the general good, and yet they uphold them on the ground that the public faith is pledged for their continuance. We might reply to this, by saying that the protective system, which imposes heavy and unequal burdens on the country, for the promotion of particular interests in opposition to the general welfare, was manifestly an innovation upon our long established policy of a more liberal and just character; and that its introduction was an encroachment upon those equal rights and privileges, guaranteed by a constitution which the nation *was pledged to maintain*. If the nation, then, is pledged to anything, *it is to return to that system of free trade*, which we have almost entirely abandoned. Waiving, however, any further discussion of this point, let us examine the claims of our opponents upon the public faith, on the most favourable grounds they themselves can pretend to place them.

It will not, we suppose, be contended that if one Congress should pass a law, wrong in principle, or unjust in its operation, that it would not be justifiable and praiseworthy in a succeeding one to repeal it. It will not, we trust, be maintained, even by the most extravagant and deluded zealot of the "American System," that because Congress once did wrong, they should never do right, but go on in error and injustice, and make a bad system perpetual. If there are any, however, who would assert such a principle, they can be no subjects for reasoning, and any arguments addressed to such minds must be unsuccessful.

We are ready, however, to admit that when laws have been passed, affording special encouragement to certain branches of industry, and large investments of capital have been made on the faith of those laws, that it would be wrong in government to make any sudden or great alterations in the laws, deeply affecting those interests, in cases where the effects as regards the public welfare could be in the least

doubtful ; and we go still further, and say, the nation is bound, under those circumstances, to sustain a considerable loss, or else to compensate the sufferers, rather than make such changes as would injure a class of men who had been stimulated to particular employments by governmental bounties. This obligation, however, on the part of the nation, involves, we think, a counter one on the part of the protected class, to abstain from pressing their demands too far, because they might happen to have the power so to do, and to be satisfied with the terms on which their privileged interests were originally founded.

Let us now examine the conduct of the woollen manufacturers, and try their claims to a continuance or an increase of the present enormous duties, on the principles here laid down. In the year 1816, at the expiration of the war duties, which like all others down to that period, were *imposed expressly for revenue*, and without any particular reference to the promotion of domestic manufactures, (though that was the unavoidable effect of them) it became necessary to establish a new Tariff. The various branches of manufactures which sprung up or were extended in consequence of the war, were presented to the consideration of government in the most imposing manner, and with a vast deal of exaggeration as to their extent and importance to the country ; and after a struggle between those who were for adhering to the principles of free trade, and the advocates for the restrictive and prohibitory policy, the latter prevailed, and an entire new system, called the *protective system*, was established. Congress, after a mature consideration of the various interests concerned, granted as much as was deemed necessary for the promotion of each, consistent with what was due to the national welfare. The duty on woollens, as originally established, was 5 per cent., but was extended at various times to 12 1-2 per cent., *solely however for purposes of revenue*, and the proceeds pledged for the payment of the national debt. In 1804, a further addition of 2 1-2 per cent. was made, called the Mediterranean fund, for the purposes of supporting the wars against the Barbary powers, making 15 per cent. and at this rate it stood till 1812, when it was advanced to 27 1-2 per cent.; still however *entirely as a measure of revenue*, rendered absolutely necessary by the expenses of the war with Great Britain, but limited by the act, to twelve months after the expiration of the war, when it would have fallen back to 12 1-2 per cent. unless the Mediterranean duty, which was also a temporary one, should have been continued by a special act of Congress ; in which case the rate would have been 15 per cent. and the same also on cotton goods. Down to this period of 1816, *the protecting system had no existence*. The very important, and it may now perhaps be said *dangerous power*, granted by the Constitution to impose duties on foreign goods, was considered as a qualified one, "to lay and collect taxes, duties, imposts and excises," for what? "to pay the debts, and provide

for the common defence and general welfare of the United States," and not, as is now contended by some of the violent partizans of this system, to enact laws with the avowed purpose of preventing importations, and thus by destroying our best, and we might almost say, *our only source of revenue*, and lessen the means of national defence, and by building up individual and sectional interests at the expense of all others, endanger the national stability, and diminish the public welfare.

That domestic manufactures were protected and encouraged by those duties is true, but that was an incidental effect of them. The primary object of all those laws *was revenue*, and it was so understood by all parties at the time they were established, nor could the various augmentations of duties have been made upon any other principles.

At the adoption of the protective system, the duty on woollens was fixed at a nominal rate of 25 per cent., equal to 29 per cent. and to fall in three years to 20 per cent. It was very naturally supposed by the legislature, that a branch of manufactures, which in the infancy of the nation, when we were without capital and possessed of infinitely less skill than we now have, succeeded under a duty of 5 per cent. to such an extent as to supply three quarters of all the cloths we consumed, could not fail of still further and of complete success, under a duty of five times that amount.

Here, then, was a compromise between the nation on the one hand and the woollen manufacturers on the other, to which each was bound to conform; if there was an obligation on the part of the former to maintain it, there was a reciprocal one on the part of the latter to be contented with it; or at any rate to refrain from imposing on the country any additional burdens.

It could never have been intended that the manufacturers should call from time to time for such an addition to the rates as they might deem necessary, or, as Mr. Everett contends, "would enable each article manufactured at home, to sustain a competition with the same article as imported." This would have been substantially a guarantee against all foreign competition, now and hereafter, whatever it might cost us, whether 25 per cent. or 200 per cent. The utter absurdity and immorality of this principle has already been exposed, and if there are any credulous enough to believe that such a system can prevail, it is time they were warned that it is one of those illusions which we trust can never be realized, one of those pretensions which can never be maintained. Congress then having gone as far as in their wisdom they deemed the case to require, it was the duty of the manufacturers, before they ventured upon a new and to them untried business, to ascertain if the given encouragement was sufficient to enable them to succeed, not to plunge extensively into it, without the requisite experience, capital and skill, and then, failing of success, call upon the nation for still further bounties, and after

having obtained them to the extent of 27,360,000 dollars a year, insist upon this enormous tax being doubled for the benefit, too, according to their own calculation, of only 100,000 persons, three quarters of whom, we have proved, succeeded under a duty of 5 per cent.

The protecting system of 1816 having gone into operation, and all the leading interests of the nation accommodated to it, the manufacturers, whose concerns were so much benefited by it, at the expense of the general welfare, were, we should think, the last who would have violated the compact on which it was founded. How stand the facts? Did the national party make any attempts to alter the established system? No; we never heard of a single remonstrance or petition against it.

They submitted quietly to a most burdensome taxation on cottons, woollens, glass, and many other articles, with an expectation, no doubt, that they should not be called upon for any further increase. What, on the other hand, was the conduct of the woollen manufacturers? Soon after the passage of the tariff of 1816, they obtained a repeal of that part of the law which lowered the duty in three years from 25 to 20 per cent. This was submitted to. What next? In 1819 and 1820, they made vigorous efforts for a further increase of duties, complaining of losses, and *at the same time enlarging their establishments*, though they were fairly warned by many of those who had been friendly to the establishment of the protecting system, but at the same time were desirous of limiting its extent, that no more duties would be granted. Mr. Lowndes, of South Carolina, who had voted for the Tariff of 1816, but considered that law had given as high duties as the country could bear, observed in a debate in 1820, on an application for an increase of duties, "they suggest no standard by which the sufficiency of the encouragement they proposed could be tested, and promise therefore *no limitation to the burden which might be imposed on the country*;" and closed by saying—"He believed the bill under consideration *to be injurious to the government, oppressive to the people, and dangerous to the stability of the manufacturing industry*." This is the judgment of one of the most enlightened and virtuous statesmen that ever adorned any legislature, and one of the last services he rendered his country was to leave on record his condemnation of a system founded on principles of injustice, which no man could hold in greater abhorrence than this distinguished and lamented patriot, and yet his reputation has been most unjustly assailed by his being repeatedly ranked among the supporters of the prohibitory and exclusive system.

From Mr. H. G. Otis's Speech in Congress in 1820, we make the following extract:—"The bill was a manifesto of the disposition of a committee, and of one branch of the legislature, to listen to the claim of the manufacturers for a *bounty of 5,000,000 dollars* in the outset. Let other classes of the community—the farmer, the mer-

chant, the mechanic, be heard upon the question, before the irrevocable sanction was given to the system."

If it was correct to oppose manufacturers who demanded a bounty of 5,000,000 dollars, in 1820, is it reasonable to support the pretensions of woollen manufacturers in 1827, who receive a bounty of 27,360,000 dollars, and require it to be doubled?

Mr. Silsbee, who in 1820 was in Congress, admonished the manufacturers "that, though friendly to manufacturing establishments, and disposed to afford that interest every aid and encouragement that could be given consistently with a due regard to the great interests of the nation, he would not at a time of general depression, *consent to build up any one interest of the country upon the ruins of another.*"

At the same period, Mr. Webster, among other arguments against the whole system, made the following statement in reference to *woollen and cotton goods*: "The duties as they now stand, (*viz.* 25 per cent on woollens,) afford great protection, and in some cases extraordinary bounties to our manufacturers. *It was thought complete satisfaction had been given at the time, by the law of 1816, which had yet again been altered most materially in favour of the manufacturers of woollen and cotton cloths.* By that law, the duty on those articles was put at 25 per cent, but was to be diminished to 20 per cent, after 3 years. By a subsequent act this was altered, and the duty kept at the highest rate." Again; "The duty of 6 1-4 cents on coarse cotton goods, costing 7 1-2 cents, was 83 per cent; this was in addition to the cost of importation. *This is so much bounty to the home manufacturers.*" "He hoped the present duties would stand without increase or diminution, and that *both government and the country would resist all attempts* to make new, frequent and great changes in the nature of property; in the occupations and pursuits of men, and in the means of living."

These legislators spoke the sentiments of the national party, including the most intelligent portion of the manufacturers in this quarter, who considered the country was bound by the compact of 1816, to sustain the burdens which then existed, but to resist any additions to them. Having been defeated in this attempt to extend the system of bounties, and prohibitions, one would imagine they would have taken warning, and lessened their concerns, had they been unprofitable; so far from this, that having been stimulated by the advantages they had gained over the public interests, they persevered in their efforts. (the complaints of losses still keeping pace with the extension of their works,) till 1824, when they succeeded in obtaining an addition of 8 1-3 per cent to the former duty, making nominally 33 1-3, in fact 38 per cent. This measure was resisted by a large majority of the New England delegation, and from Maine, New Hampshire, and Massachusetts, the states most largely engaged in this branch of business, and where its interests and its wants are best understood, *the new tariff had but one vote from each in its favour.* +

Here then was another violation on the part of the manufacturers, of that implied understanding on which the protective system was first established. Notwithstanding this second alteration, making the duty 13 1-3 per cent more than the permanent rate, given by the tariff of 1816, and the fact that this last measure was carried against the wishes and opinions of those manufacturing States, which comprised the most numerous and intelligent class of manufacturers, and by only a plurality of five in the House, and three in the Senate, the nation submitted quietly to this further encroachment on its rights and interests. No attempts were made in any quarter to disturb the tariff. The manufacturers, however, very naturally perhaps after so many victories on their side, and so much endurance on the other, conceived it was only necessary to make claims, in order to have them granted. They still continued their complaints of the hostility of the national party to manufacturers, and of the patriotic sacrifices they themselves were making to improve and extend an useful branch of industry, and what is more remarkable in men who had been for so long a course of time pursuing an unsuccessful occupation, they had increased their manufacturing capital, as stated in most of their memorials and speeches, in the short space of 8 years, from 10,000,000 to the enormous sum of 40 or 50,000,000-dollars. This vast accession of capital, from men who are supposed to understand their own interests, to a branch of business which has been so long cried down as a losing one, certainly looked somewhat inconsistent with the complaints which the manufacturers were making, of a want of sufficient protecting duties. These representations, however, drew in many to the support of the views of the manufacturers, and in 1827 they came forward and demanded what in fact amounted to an entire prohibition, an increase, which carried the rates from 38 to 232 per cent, and actually got a bill through the House of Representatives, giving them 38 to 139 per cent, averaging perhaps 80 per cent; and rising, as we have before repeated, on the consumer, not in proportion to his means, *but his want of them*. This last application for increased duties was made too at a time, when it must have been apparent to the manufacturers, that the operation of the tariff of 1824, had actually much diminished the importation of foreign woollens, except for such articles as are not yet attempted by our manufacturers. In 1825 the import of foreign woollens was 10,876,873 dollars. In 1826 the amount had declined to 7,886,826 dollars, from which deduct re-exportation 441,382 dollars, leaves 7,445,444 dollars. Our whole consumption is 72,000,000 dollars, so that our importation is reduced to about one tenth of our consumption, and the proportion under the present heavy duty will decline every year; notwithstanding this trifling importation, we have had the most erroneous statements of the overwhelming consignments from England, to the entire ruin of the domestic manufacturer. Mr. Otis complains, "that while the British *take nothing from us*, they seem to

have enjoyed the proscriptive usage, (*which many of our citizens are willing to countenance,*) of supplying us with all we want, from hats to shoes, and of manufacturing for us all things down to a hob-nail." The language of the Pennsylvania address, is, that "the American manufacturer of wool is so far depressed, by the *great quantity of English woollens* brought into the country, that he cannot continue the business, unless the original intention of the tariff be carried into effect, by the enactment of an additional duty, to countervail the advantage given to the English manufacturer, by the reduction of the duty on the importation of foreign wool. We cannot but express our disappointment, that men to whom we cannot impute intentional misrepresentation, should yet, probably from want of sufficient examination, give the sanction of their authority to statements which have been, as we think, proved to be either much exaggerated, or entirely unfounded, nor can we conceal our regret that those eminent statesmen, who have stood forth as the able and vigorous champions of the national interest, by which we mean a policy comprehending *all* the branches of domestic industry, should have thought it incumbent on them to support, in opposition to their former views,* *one branch only, at the expense of all the others*. If the secession of so many respectable men from our side, to that of our opponents, may at first be thought to have an unfavourable bearing upon the cause we advocate, their change does not, as we think, indicate a correspondent change in the minds of their constituents generally, upon this important subject; nor does it lessen the force of those facts and arguments which formerly carried conviction, at least to the minds of those to whom they were addressed, against the system which these respectable men are now supposed to uphold.

That they have changed their ground no one can deny, and we have not unfrequently been challenged for our reasons for not following their example.

We should be glad, however, before we take that step, to hear what we have often seen in vain asked for, the *arguments by which they themselves were converted*; and if they are strong enough to overturn those by which *they formerly converted others*, we will venture to say, all difference in opinion upon this subject, will be forever at an end.

Without meaning to impugn the motives of those gentlemen, may we not suppose that it is the position in which they stand to this question which has changed, rather than the facts and principles, on

* It may be proper to remark, that among those who voted for the extravagant tariff bill, which passed the House last winter, there were some members of our delegation, from whose speeches we have quoted arguments in support of our own views, and others who formerly voted against the whole system of restrictions, bounties, and prohibitions, as preposterous, unwise, and wholly at variance with the enlightened spirit of the age. These statesmen in 1820 and 1824, declared any addition to the duty which then existed of 25 per cent on woollens, as unnecessary and unjust, while in 1827, when the rate was 38 per cent, they thought it right to support a bill which established rates of duties from 38 to 139 per cent, averaging at least 80 per cent on our aggregate importations.

which their former opinions were founded? Cannot we imagine there were other objects not necessarily connected with this subject, *but unhappily considered by them as dependant on it*, which might lead them to sustain a measure not in accordance with their former views, for the sake of securing other measures, which they might deem of much greater importance to the general welfare? Shall we not consider it as one of those unfortunate emergencies, to which public men are sometimes driven, when they feel compelled to abandon one great public interest, for the maintenance of another?

For ourselves, we are disposed to put the most favourable construction on the conduct of men, who have in general filled the stations they occupy with so much credit to themselves, and so much advantage to their constituents.

If such then be the real state of the case, no inferences unfavourable to the cause they formerly supported, can be drawn from this single act, and more especially as it was unaccompanied by any disclaimer of former, or any avowal of new opinions. Can it not therefore be fairly inferred, whatever appearances may indicate, that the most our opponents can boast of is, that they have *the votes of our former friends* on their side, *while the arguments* they have furnished, are still on ours.

We have thus given a history of the conduct of the two parties engaged in this cause; showing a patient endurance of the most enormous taxation on the one hand, and an unreasonable selfishness on the other; yet the suffering party have been assailed in the most offensive terms, with enmity to manufacturers, a want of common patriotism, partiality for foreign interests, and hostility to our own.

By Mr. Clay, in a letter dated July 4th, 1827, all who oppose the restrictive system are charged with a factious opposition to government. "*All who are opposed to the American System, all who are opposed to internal improvements, are now united with others in the endeavour to defeat the election of the present Chief Magistrate, and to elevate another individual.*" Again in one of his speeches upon the Tariff, as reported in the National Intelligencer—"The predilection of the Essex Junto for foreign trade, and for British fabrics, is unconquerable." And the Boston Woollens Committee in their circular dated November 11, 1826, observed, "it is not now a question between different American interests, *but one between Americans and Englishmen!*" The Pennsylvania State Convention declare "that there is still lingering in our sea ports *a remnant of foreign influence*, added to the home-bred prejudices of the *plantation interests* against all manufacturing establishments." From Mr. Tibbit's Essay published April, 1827, we extract the following:—"Your men, whose numbers you wish to enlarge, become discouraged, perhaps ruined, and driven from all further attempts; they are therefore and thereby *about as effectually destroyed* as they would have been, or could have been, by any other means whatever, direct or indirect. But who

is it that has destroyed them? *To whom is their destruction and death to be attributed?* Who is the murderer? Who is it that imposes restraints upon artificers and manufacturers in this country? Certainly the English manufacturer is not to be blamed." And again—"Who is it that imposes restraints upon artificers and manufacturers, and prevents their number from increasing in this country? Is it not this sensitive shipping interest of ours, which has thus far been carefully nursed at the expense of the land, even the very men for whom, rather than their vessels should not have the freight of our lumber, meal and meat to the British West Indies, we submit that it shall remain at home and rot? Is it not to those sugar-planters and cotton-growers at the south, some of whose *leading productions have protections at the expense of the Northern States* of more than 50 per cent.; and the frightful stories scattered about the country, and told to us farmers by our *petulant shipping gentlemen*, and those wonderful wise Sheffield and Birmingham pedlars, and chambers of commerce, through the medium of the National Gazette, the American and Evening Post, are all deceptive trumpery, of which we do not believe a single word." From one of the publications of Mr. Carey we take the following:—"Is it then fair, is it liberal, is it generous, is it just, *for the merchants to unite as a solid phalanx, from Maine to Savannah, to oppose every attempt to afford relief to their fellow citizens, however acute their distress, however intense their sufferings?*" From Mr. Everett's Speech at the Boston Woollens Convention we make this quotation:—"There was a time, and not long ago, when not merely an indifference, but a positive unfavourable impression was felt in this community on the subject of manufactures. *The accounts of the corruption of morals and prostration of health, of the over-working and under-feeding of the British factories, (accounts in themselves too true I fear) were repeated with a kind of melancholy relish.*" We select these from innumerable other charges and imputations in circulation, equally gross and unfounded, not with a view of refuting them, (that not coming within the object of this committee) but merely to show what means even some of the most respectable advocates of the "American System" resort to, in order to stir up the prejudices and passions of their followers against their opponents, and to bring obloquy upon all those who would aid in protecting the national interests against the pretensions, we will not say of the manufacturers, but against that combination, partly political and partly manufacturing, (all of them advocating the same cause, but from different motives, and having different ends in view,) who are supporting a course of policy which, even should they succeed in establishing, *cannot be of long duration, and the eventual consequences of which, will be most destructive to the whole manufacturing interests of the nation, and more especially to those of the New England States.*

But Mr. Tibbits, from whom we have before quoted, would have us

infer that it is the "sensitive shipping interest," on whose account "we submit that our produce shall remain on hand and rot," who have been desirous that the reasonable offer of Great Britain in regard to the Colonial trade should have been rejected; that the "sensitive shipping interest" wished to destroy such an advantageous branch of commerce, and thus were solicitous to injure their own interests. A misrepresentation so unfounded and absurd, we should hardly have commented on, had it not been countenanced by some eminent partisans of the restrictive policy, whom we have cited.

Now what is the fact with regard to the shipping employed in the Colonial trade? We find on reference to the official list of exports for 1826, that the amount of *domestic produce* only, exported to the British West Indies and American Colonies, was 4,680,414 dollars, *of which only 474,560 dollars was in foreign ships*. Thus it appears that the "*sensitive shipping interest*" had all the advantages from this trade which it was susceptible of affording, and the able men who more immediately represented their interests in Congress made great, though unsuccessful efforts for retaining it on the terms which it was at one time offered to our government, but were defeated in those attempts, *chiefly by men who are among the most zealous advocates of the non-exportation and non-importation system*. How then can it be charged upon the shipping interests, that the country has lost this extremely valuable branch of commerce?

A great deal of pains has been taken by diplomatists and partizan politicians, all of them distinguished for their hostility to commerce, as interfering with the complete establishment of the "American System," to divert the public mind from the true state of this important question. An elaborate writer upon the subject, in a long essay which has lately been published, has gone back to the history of the "Long Parliament and the British Navigation Act" to prove *that Mr. Huskisson and other English ministers were not sincere in their offers of the Colonial trade on the terms which we once rejected, but afterwards offered to accept*.

If the ingenious writer had given us a history of the Roman invasion of that country, it would have been quite as much to the purpose. Why connect the navigation act and the support of the principles of that act with the name of a statesman whose fame is founded on his overthrow of those principles on which that act and the whole series of restrictive measures which followed it, were mainly founded? The enlightened men who are now at the head of affairs in England, have no particular reverence for "Navigation Acts, or Long Parliaments." Their efforts for a long time have been directed to the destruction of the Commercial codes which originated in those days; and we believe the only admirers now left of those venerable laws, are the advocates of the "American System."

As regards the colonial question, we shall briefly say that our government having at first declined the terms offered by Great Britain, afterwards proposed to the British government to accede to them.

Why was this offer on our part refused by the British ministers? There were no circumstances to render the trade between the United States and her colonies less valuable to great Britain in 1826, than it was at the time they offered us the trade. What then was the reason? We say there is strong presumptive evidence, that it was the extension and operation of our prohibitory system which led to this result. The loss of a trade which took off upwards of four and a half millions of domestic produce, employed in 1826, 102,000 tons of shipping in the direct voyages, and 20,000 tons more river and coasting craft to furnish those cargoes; comprehending the use in all those various operations of near 11,000,000 dollars of capital, may be considered among the first fruits, as regards our foreign trade, of the "American system."

This commerce was extremely valuable to New England, as most of the shipping was owned in these states, and of the 6,000 seamen it employed, nearly all were northern men. It was too, a growing trade. The amount of exports since 1823, had increased upwards of three-fold, the tonnage had risen from 32,000 to 102,000, since 1821, and could we have retained it on the extremely favourable terms we had unfortunately rejected, it would, in the course of a few years, have been next to the direct trade with England, *the most extensive and profitable branch of our foreign commerce.*

We deny then, that it is the fault of the merchants of the United States, that the colonial trade has been lost to the nation. It is the first act of that commercial warfare which is the necessary effect of our prohibitory policy, and it must be extended to every branch of commerce, not only with England, but every other nation whose manufactures or productions, may interfere with the private interests of the supporters of the restrictive system.

To return to our subject; we say if there was any pledge on the part of the nation, to sustain the manufacturers by a continuance of the tariff of 1816, they have honourably redeemed it; they have even exceeded this, by submitting to the various additions which have from time to time been made to it; while on the other hand, the woollen manufacturers have repeatedly violated theirs; and if we can judge from the past, will do so again, should they prevail in the contest in which we are now engaged. The bill which passed the House last winter, imposing duties of from 38 to 139 per cent, enormous as they are, did not, we understand, satisfy the expectations of all; the more general wish appears to be, to carry up the rate at once to absolute prohibition, be that what it may.

At the Boston Woollens Convention, Mr. Lawrence declared, that the manufacturers "wanted protection; *it mattered not whether it was 50 or 150 per cent, so long as it was protection.*" The Pennsylvania Convention says; "We must countervail foreign manufactures in favour of all such as can be advantageously made at home."

We except none." And Mr. Everett, although he argues for 50 per cent, voted for 38 to 139 per cent ; and if that is not sufficient, we must go to the point of prohibition, since as he observes, " The principle on which the tariff of 1824 was framed, of course, was to enable each article as manufactured at home, to sustain a competition with the same article as imported."

Here then we have a disclosure from some of the most active leaders* of the party we are opposing, manufacturers, politicians, and political economists, of the true spirit of the " American system." *An entire prohibition by duties of every thing which can be manufactured at home*, be the rate 50 or 150 per cent, or as much as " will enable each article manufactured at home, to sustain a competition with the same article as imported." Notwithstanding, however, the tone of authority these gentlemen assume as guardians of the manufacturing interests generally, we believe a vast majority of all concerned in their various branches, including some of the most intelligent of the woollen manufacturers, will reject the doctrine they advance, as not only incompatible *with their notions of what is just*, but what is expedient. We do not say this unadvisedly, but from our own knowledge of its truth.

We admit that they may be considered as representing the views of the woollen manufacturers generally, and of the much deceived wool-grower, who will, however, at no distant day, find in what an unprofitable alliance he has been engaged.

We are then on the subject of pledges, fairly at issue with the woollen manufacturers, and as they have kept no faith with the nation, may it not be justly said, that the compact of 1816, on which the protecting system rested, is dissolved? How then can Mr. Everett, who is a *national legislator*, and bound to stand impartially at least, between the private views of the woollen manufacturers, and the interests of his *national constituents*, say " that the expediency of relieving the manufacturers, is not a question on the doctrines of political economy, *but on the plighted faith of the nation?*" Why not complain of *the violated faith of the manufacturers*, of which we have furnished such ample proofs? But unreasonable as has been the conduct of some of the manufacturers, and burdensome as are the taxes now levied for their support, we do not believe the nation is disposed to disturb the tariff and lessen the protection they now enjoy ; but should the woollen manufacturers persist in their demands, and thus increase the excitement now existing, is it not to be expected, that when the other party do obtain the ascendancy, they will not only reduce the rates on woollens, but also on glass, nails, hats, cottons, and other articles, which are of vast importance, and

* Mr. Pearce, member of Congress for Rhode Island, at a dinner given him lately at Troy, Mass. affirms, " The time will soon arrive when all the citizens of this country will be convinced they can manufacture their articles for themselves, and our Government will see the necessity of making protection, prohibition."

are protected by very heavy duties? Is it not to be feared, as Mr. Webster has told us, that "there may come a moment of strong re-action, *and if no moderation be shown in laying on duties*, there may be as little scruple in taking them off." This is the crisis to which the committee apprehend we are now tending, and which, if possible, they are anxious to avert.

It does indeed seem incredible, that reflecting men, however much their judgments may be affected by the deep interest they may have involved in the question, when they consider how small a number are really interested in sustaining the protecting system, compared with those who would gain by its abandonment, should not themselves see the danger of pressing such unreasonable claims on the nation.

We entreat the most zealous and the most sanguine to look at the state of parties as they stood last winter, and consider *that a change of five votes in the House and one in the Senate* would place them at the mercy of their opponents, who, if successful, would feel in some measure compelled, by the conduct of the manufacturers, to carry back the rates to what they formerly were, before the establishment of the protective system.

We would ask if the woollen manufacturers can hope to maintain a system, if they succeed in establishing it, which is so directly in opposition to the interests of the nation in general? Will an intelligent and enterprising people quietly submit to a policy which narrows down the market for their produce abroad, and imposes a tax even for one article, greater than the whole national expenditure? We appeal then to all rational and prudent manufacturers whether it is not better, even upon the most selfish principles, to join with us in resisting any further augmentation of duties, than hazard in case of failure the loss of part of what they now enjoy; or if successful, increase the dissatisfaction and odium which already exists against the whole system of non-importation, and which, one day or other, *will be followed by a most ruinous re-action*.

SECTION 10th. Much has been said by the advocates of monopoly and restriction about the usefulness of manufacturers, and of their surprise and regret that other classes should entertain hostile feelings against them, and of the right and duty of government to protect manufacturing industry. We make the following extract from the Pennsylvania Woollens Convention Address:—"An eminent citizen, lately elected governor of an influential state, has succeeded to convince the legislature of that state, that it may question the right as well as the wisdom of Congress to concern itself with manufactures;" Again—"We hold it to be the constitutional obligation of the government to establish and preserve manufactures as much as commerce or agriculture; to protect the industry of the work-shop as much as that of the counting house; and to encourage all the means of a people's prosperity." With regard to the usefulness of woollen manufactures in common with all others, and the duty of govern-

ment to protect and encourage every species of industry, a great deal of trouble has been taken to prove what no one denies; nor can it be said with any truth, that manufacturing property has not in common with all other kinds, such protection as the laws of the land can afford it. Why then do the woollen manufacturers talk of the protection of their interests, as if they were not already protected? The question then, is not about the usefulness or the protection of manufactures. The question is, whether it is wise or just to tax 11,900,000 persons 27,360,000 dollars a year to promote the interests of 100,000 persons, three quarters of whom formerly succeeded very well without it; and having imposed such a tax, whether it is wise and just to double it? In spite of all the newly invented terms, and all the sophistry which has been used by politicians and manufacturers, to lead off the public mind from the true merits of this question, *this is the point to which it must at last come.* Let it be kept in mind, that every dollar which is paid to keep out foreign woollens, is so much tax paid by the nation to the manufacturers, for which no equivalent is received in return; and that if woollen manufacturers do not make more than the ordinary profits of trade; (and they say they make less) there is a loss to the country of \$23,940,000 per annum. Notwithstanding this *mathematical truth* which must be familiar to the minds of thousands of this intelligent class, the National party are charged in no gentle terms, by numerous essayists, pamphleteers and orators, *with hostility to woollen manufactures.* Having already burdened our report with many extracts to show the charges against the National party, of a hostile disposition to manufactures, we shall content ourselves with giving but few more. From an address of the Honorable Andrew Stewart, M. C. delivered within a short time, to his constituents in Pennsylvania, we extract the following:—"Shall we co-operate with those who are endeavouring to build up and sustain manufacturing institutions among us, or *unite with Great Britain, and the cotton and tobacco planters of the South in their endeavours to crush them?* This is the true and plain state of the question, and every man can decide it for himself." Again, after having stated that Great Britain prohibits the importation of our agricultural produce—"Shall we unite with the South in these attempts to destroy us? Shall we, the farmers of Pennsylvania, assist to ruin the only markets we have left, to gratify Southern ambition or British cupidity?"

A respectable editor, to whose paper we are indebted for this extract, accompanies the address of which this forms a part, with the following remark:—"We shall close this notice with a pretty long extract, in which Mr. Stewart displays his accustomed research, *and strength in matters of fact.*" Now if our readers will turn to the 7th section of our report, they will see that this is the same gentleman who asserted, that in 1825 Great Britain took from the Northern and Middle States *nothing*, and only 500 dollars of all the

States north of the Ohio and Potomac; and in the same section, they will find *proofs from official documents*, that we sent that year upwards of 1,200,000 dollars to Great Britain, and more than 4,000,000 dollars to her colonies. We can assure our readers, that the other "*strong facts*" which this honourable legislator publishes, have about as slender a foundation as the one we have just noticed, and the charges and imputations against cotton and tobacco planters, by whom he no doubt means all who are opposed to the restrictive policy, are equally unfounded. What are the complaints of our opponents against the people of the South and West? That they resist the woollens tax of 23,940,000 dollars, imposed for the benefit of 100,000 persons? If they mean to assert this, nothing can be more untrue. *They never, after it passed, uttered a murmur against it. It is in opposition to the doubling this enormous tax, which they are now contending against*, and for which they are denounced by Mr. Tibbits and many of the leading men of his party, as has been before shown. Our opponents complain that the Southern gentlemen are too warm upon this subject. We ask them to reflect upon the imputations cast upon them by their own leaders, and they will be at no loss to see the reasons.

To talk then of hostility of the nation to manufactures, after the immense taxes they have paid for their support, is worse than folly; and the Southern statesmen themselves, on the introduction of the protective system in 1816, acted in the most liberal manner, by giving their support to duties which they knew must operate against their constituents, and to the advantage of the manufacturing States. Without the aid of Barbour, Calhoun, Crawford, Lowndes, and others, the tariff of 1816 could never have been established; but it is most unjust to the merits of those gentlemen, who were willing to give 20 per cent on woollens, (which was four times the rate originally established,) to charge them and their constituents with hostility to manufactures, because they opposed a duty of 80 per cent. The conduct of the Western States, was equally liberal. In 1824, the whole vote from Missouri, Indiana, Illinois and Kentucky, was in favour of the tariff as it then passed. In 1827, a majority was against the tariff as then proposed. There is also a great change in Pennsylvania. She gave all her votes but one for the tariff of 1824, but gave, as we believe, six or seven against the tariff bill of 1827. In Kentucky, of the six members who voted for the tariff bill of 1827, four have lost their elections, so that instead of having the whole delegation in favour of the protective system as in 1824, all but two are now opposed to it.

They have become disaffected to the whole system, and to those politicians who have been the most instrumental in supporting it; not from any want of good will to the manufacturing interests, but from a determination not to see the peace and welfare of the union disturbed, for the sake of wearing woollens made at home, at nearly

double the cost we can have them from abroad, and *in exchange too for the agricultural productions of the country.*

We have before had occasion, in repelling the charges of hostility made by our opponents against the Southern States, to notice the conduct of some of their prominent statesmen, in regard to the manufacturing interests. We have now to notice a very unfair advantage which has been taken of this liberal feeling, to class them among the advocates of the exclusive non-importation and non-exportation system. We quote the following from the address of the Pennsylvania Woollens Convention, held 27th June, 1827, signed by Mr. C. I. Ingersoll, Matthew Carey, and other gentlemen equally distinguished for their hostility to free trade, and their devotion to the "American system." "Whenever this subject has been treated in Congress, both its *constitutionality and policy* have been conceded. The votes of the much lamented Mr. Lowndes, and of the present Vice President of the United States, with those of many other eminent statesmen of the South, are recorded in their favour."

With regard to the Vice President of the United States, it is unnecessary for the committee to say any thing more, than that by the casting vote he gave against the tariff of 1827, he became the chief instrument in saving the country, and *more especially the manufacturers*, from the many evils which would certainly have resulted from that pernicious and impolitic bill; and for which he is entitled to the gratitude of the nation. We have already given some extracts from Mr. Lowndes' speeches, which show what were his opinions of the "American system." We furnish another from a speech made in 1820, on the application of the woollen and cotton manufacturers for increased duties; "*He believed there was no nation in the world, which, in proportion to its income, paid so great a bounty to its manufacturers, as the United States.*" Let the reader bear in mind, who it is that is speaking; *one of the most intelligent, sincere and prudent statesmen, that ever graced our national assembly.* Let him keep in mind too, that the duties on both cottons and woollens have been considerably increased since that time. We take great satisfaction in quoting the opinions of this venerated man; first, to clear his reputation from those imputations, which our opponents have attempted to cast upon it. And again, that we may avail ourselves of the authority of one of the wisest and best men our country has produced. The virtues of his pure and elevated mind, were not *geographical.* *He* did not measure the rights of men by the sections in which they happened to reside; nor ask when a wrong was intended, whether those who were the objects of it lived on the "north, or the south side of the Potomac," "in the plantation, or manufacturing States." If an encroachment was made on the rights of the nation, *he* never stooped to inquire, before he would join in resisting it, whether it originated in the North or in the South. Of his regard for Northern interests, he gave frequent proofs, by his continual and efficient efforts,

for the support of the navy, the protection of our navigation, and the extension of our commerce, and for the manufacturing States, *by his support to the tariff of 1816*; but he lived long enough to see that his liberal conduct was not duly appreciated by the manufacturers; on the contrary, that they continued to make further demands for protection, which *he did his utmost to resist*. The principles of this much lamented man, did not shift with his pecuniary, or his political interests; they were founded on an immutable basis which nothing could shake. There was a singleness of heart, and a firmness of principle about him, which inspired the whole nation with the most unlimited confidence in his goodness and integrity. Mr. Lowndes did not go to the national legislature tied down by pledges to manufacturers, merchants or planters; HE, REPRESENTED HIS COUNTRY. A free, unpledged national legislator, and he would have scorned to have been there, on any other terms.

But integrity and impartiality were not the only qualifications of the late William Lowndes; he brought to the discussion of every subject, a strong, discerning mind, well stored with facts, and entertaining as he did, the most comprehensive and statesman-like views, he was qualified in an eminent degree, to decide correctly upon all great questions of national policy, and on subjects connected with commerce and manufactures in their various relations, no man in the assembly in which he sat, was his superior.

That Mr. Lowndes was opposed to the whole system against which we are contending, we have offered the most undeniable testimony; and as far as the authority of names ought to influence our opinions on this subject, is there any statesman whose guidance we can more safely follow? And will not every one who loves his country, and is anxious for her welfare, be influenced by the authority and example of such a man?

We say then, that the nation, and every portion of it, has given abundant evidence, of not only their good will towards the manufacturing interests, *but of their partiality to them*, and that their importance to the general prosperity, when placed on the equal footing of all other interests, has always been duly appreciated. For ourselves, as New England men, we think it difficult to over-rate their value. We have all the requisites for success, in almost all the various branches. We are, by our habits and disposition, *and still more by our necessities*, led to them as a means of support. *The very barrenness of our soil*, (a pre-eminence no other section can dispute with us,) compels us as it were, to be a manufacturing and commercial people. We have been a commercial people from the first settlement of the country, and were a manufacturing one, to a great extent, at least a *century before the protective system was established*. It may be doubted, if there is in any quarter of the world, England excepted, an equal number of persons, operating with the same capital, which produces a larger amount of manufactures than the State of Massachusetts. We

of course do not speak in reference to cottons or woollens, but to manufactures generally.

There is, however, too much impatience to realize the utmost extent and perfection of this species of employment, by legislative enactments, and high bounties, instead of waiting for the natural effects of increased experience and skill, and a greater accumulation of capital, all of which we are fast acquiring, and the want of which, *now constitutes the only obstacle to our complete success.*

We repeat then, that the only dangers the manufacturers have to apprehend, arise from the insidious attachment of politicians, who, feeling no interest in their permanent success, use them as a means of attaining their ambitious views ; or, of short-sighted manufacturers, who are putting forth pretensions which will make the whole class they affect to represent, so odious to the nation, that ultimately, they will lose part of the protection they now enjoy.

SECTION 11th. We have endeavoured to show, and we hope with success, that there never has been any hostility in any portion of the nation to manufactures, and that too much has already been done in the way of governmental bounties for their promotion. There are, however, many leading writers and politicians among our opponents, who treat this question in such a way, as to induce us to believe, that if by a forced construction of the constitution, the general government could go still further than they have, no other evidence need be required of *the justice and policy of the restrictive system* carried to its utmost limits. "It is constitutional, and *therefore politic and just.*" Let us then examine the grounds on which the advocates of the exclusive system would justify and prove its constitutionality. We will take the statement of their case, from Mr. Tibbits, as being one of the authorities held by our opponents, in the greatest repute, for his accuracy and knowledge. "Protection to manufactures is further objected to, on the ground that Congress is not authorized by the constitution to give that protection, by increased duties or prohibitions ; *nor to cherish and elevate one branch, where that elevation or protection may prejudice another branch of business ;* and more particularly where it may prejudice the shipping and importing branches already established, and in successful operation." "The power has unquestionably been given to Congress, to lay and collect taxes, and to establish imports ; to regulate the trade with foreign powers among the several States, and with the Indian tribes. Another important function conferred upon Congress, is, to provide for the public defence and for the general welfare." The same ground has been taken by Mr. Carey, Mr. Niles, and other equally distinguished men of that party. We understand them to maintain that the general powers granted to Congress, by the constitution, "to raise revenue, to regulate trade, and provide for the public defence and general welfare ;" can, with a fair interpretation of that instrument, be construed into a right on the part of Congress, to pass

such laws, (which to use the very phrase of Mr. Tibbits,) may cherish and elevate one branch, where that elevation and protection may prejudice another branch of business, and the effect of which, is to prohibit our principal imports, *and of course to lessen very much our exports*, and thus in fact, instead of regulating, to materially diminish *both trade and revenue*; and the further effect of which, (as regards the article of woollens,) is to burden one of the first necessities of life, with an annual tax of 23,940,000 dollars a year; to lessen the annual accumulation of national wealth to the like amount, and thus most essentially to impair the general welfare. This is the position taken by Mr. Everett, when he says, "the tariff of 1824 was framed, to enable each article as manufactured at home, to sustain a competition with the same article as imported." And by Mr. Lawrence, when he contends, that "we want protection; it mattered not whether it was 50 or 150 per cent, *so long as it was protection*." And by the Pennsylvania Woollens Convention, "we must" they say "countervail foreign manufactures in favour of all such as can be advantageously made at home; *we except none*."

To assert that the power of regulating trade and raising revenue, implies the right of making such laws, as cannot accomplish the purposes for which they were made, without destroying both revenue and trade; and to conceive that the power of legislating for the general welfare, can be justly exercised in such a way, as to violate individual rights, and injure the general welfare, will not, we think, accord with the notions usually entertained of the spirit and purpose of the American constitution. Such a novel, and to most of us startling doctrine as this, should, we think, in order to have that currency its advocates desire, be supported by something like argument, which we have, however, in vain looked for, in the numerous speeches, essays, reviews, agricultural addresses, treasury reports, sermons, and other publications of the advocates of the "American System."

Our opponents appear to rely for the support of their new and ingenious definition of constitutional power, entirely on authorities; and in the way they proceed, they find it no difficult task to obtain them. If in any of the messages of Presidents, reports from Departments of State, debates in Congress, or the writings of any distinguished or popular statesman, they can find some general expressions about the "benefit of manufactures," "the advantage of promoting new branches of trade," the "employment of domestic industry," or of the "necessity of imposing duties for revenue," &c. &c. the authors, without the least regard to the general scope of their publications, or the avowed object of them, are at once set down as the supporters of the "American System;" and as having sanctioned the most absurd and unjust schemes, of the wildest advocate for the system of restrictions.

We again refer to the Pennsylvania address, as a document coming from some of the principal founders of the "American System,"

and circulated as an able exposition of the principles of the new policy. As this manifesto is signed by Mr. C. I. Ingersoll, U. S. District Attorney, an eminent lawyer, (and probably the only eminent one who would countenance the new constitutional doctrine as laid down by the gentlemen from whom we have just quoted,) it is to be presumed, that we here have the most able defence of it, which our opponents can make. "So far," say they, "as regards manufactures, the right of Congress to protect them in that mode, was not only admitted in the first Congress, but strenuously advocated by the most distinguished members of that body, Madison, Ames, Fitzsimmons, &c. many of whom were members of the convention, that framed the constitution." And to prove that these and other distinguished men, some of whom they name, upheld by their votes, the principle of prohibition, they cite the preamble, "to the first act for raising a revenue by impost, passed July 4th, 1789, headed—

Whereas, it is necessary for the support of government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures, that duties be laid on goods, wares and merchandize imported." Here then is one of the authorities, which, in lieu of argument, is to prove that Mr. Madison and other eminent statesmen, were in favour of the system they advocate. To see what support can be obtained from this act, to which they refer, in favour of the protecting system, we must see what the makers of it meant by that term. The sense in which our opponents use protection, is, *to stop the importation of all foreign goods which can interfere with such as can be made at home.* On reference to the tariff of 1789, we find the duties on woollen and cotton goods 5 per cent. The existing duty on cotton goods varies from 29 to 90 or 100 per cent; on woollens 38 per cent, and the bill which passed the House last winter proposed an increase of from 38 to 139 per cent, increasing on the consumer, *not in proportion to his wealth, but his want of it.*

But these rates are not satisfactory, and by the tariff which the Harrisburg Convention have made for the next Congress, the rates on both articles are so much increased, as to shut out all further importations. On comparing the rates of duty imposed in 1789, with the existing ones, and with the contemplated rates of our opponents, they will see the correspondence between the notions then, and now entertained, of protecting duties.

The difference will, however, appear more striking by a comparison of the ad valorem duties on the whole importations of 1789 and 1790, and 1825. Of the 24,341,624 dollars, imported in the two former years,

21,742,291 paid 5 per cent duty,	} averaging about 5 1-2 per cent.
2,591,752 paid 7 1-2 and 10 per cent duty,	
7,581 paid 12 1-2 and 15 per cent duty,	

Of the imports of 1825, the report from the Treasury affords

no means of ascertaining the exact rates on all the ad valorem articles. The leading ones are :

Cotton Goods	-	-	29 to 90 per cent.
Woollens	-	-	38 per cent.
Silk Goods	-	-	23 to 30 per cent.
Linens	-	-	29 per cent.
Hard Ware	-	-	29 per cent.
Glass Ware	-	-	34 per cent.
Straw Hats, Caps, &c.	-	-	58 per cent.

There were some other articles paying 25 down to 12 1-2 per cent, but as more than half were cotton, woollen and silk goods, and a large portion of the others which paid 25 to 30 per cent, the average the committee believe cannot be less than 35 to 40 per cent, and under the Harrisburg, or the contemplated tariff, the duties on cottons will be raised considerably, and on woollens the average may be 120 to 150 per cent. For instance, cloths costing 50 cents or under, a square yard, pay 40 per cent, on a valuation of 50 cents a yard.

Cloths costing over 50 cents, and not exceeding \$2 50 a square yard, to pay a duty on \$2 50 a square yard.

Cloths costing over \$2 50 a square yard, and not exceeding \$4 a square yard, to pay a duty on \$4 a square yard.

Cloths costing over \$4 a square yard, and not exceeding \$6 a square yard, to pay a duty on \$6 a yard.

Cloths costing over \$6 a square yard, to pay on whatever they may cost.

It should be noticed that the duty, though nominally 40 per cent, is in fact 46 per cent. Thus cloths costing

51 cents a yard, pay 46 per cent on \$2 50, or 115 cents, equal to 225 per cent on the cost.

251 cents a yard, pay 46 per cent on \$4, or 184 cents, equal to 73 per cent on the cost.

401 cents a yard, pay 46 per cent on \$6, or 276 cents, equal to 68 per cent on the cost.

600 and over, pay 46 per cent on what they cost, equal to 46 per cent on the cost.

To these rates 5 per cent is to be added after the 30th June, 1829, and five per cent more after the 30th June, 1830.* Most of the goods consumed by the poor and middling classes, would pay from 225 to 73 per cent, while the high cost goods would pay but 46 per cent; and this, as we have before observed, was the case in the bill which passed the House last winter; we have too in this tariff,

* In 1830, these rates, by the addition of 10 per cent, will be increased one fourth, making
 281 per cent,
 91 per cent,
 85 per cent,
 57 1-2 per cent.

much greater temptations than ever, "to the dishonest importers," who have been charged with evading revenue, to the *extent of one half under the existing duty*.* In the Harrisburg tariff, an importer by altering his invoice one cent a yard, may save 179 per cent in the duties.

We have gone into these details, which we know will be tedious to our readers, to show what different meanings are attached to the word *protection*. The Congress of 1789 considered 5 per cent on woollens as much as was due to them. The manufacturers now have 38 per cent. They asked for 80 per cent, at the last session, and mean to call for 120 per cent at the ensuing one. We say then that the Congress of 1789, had no intention of prohibiting woollens, or even of imposing such duties as would diminish their consumption, and thus by lessening revenue, *defeat the object for which the law was passed*. If those who had brought forward this act, had paid the least attention to its sense, and to the obvious intention of the makers of it, they would have seen by the very words they have quoted, that the main and indeed sole object of it was, *to raise revenue for the support of government, and the discharge of the debts of the United States*; protection to manufactures was altogether secondary and incidental, and may be said to be rather one of its beneficial effects associated with the others, *to reconcile the nation to a system of taxation*.

It is perfectly absurd to suppose any other interpretation can be given to the intentions of those who supported that act, and to our apprehension, it implies a most strange perversion of mind in those expounders of constitutional law, to imagine that men who voted for a duty of 5 per cent, imposed avowedly for revenue, would vote for a bill imposing 80 per cent, and still more one for 120 per cent, for the declared purpose of prohibition, and thus destroying revenue, *or that they would sanction the principles of a system, the object of*

* We notice in some late discussions, in the newspapers, that the principle adopted by us of estimating the duties under the Harrisburg tariff, has been objected to. It is contended for instance, that goods costing 51 cents, and not exceeding \$2 50, will pay 40 per cent, or 100 cents, equal to 196 per cent on the cost. Whereas, we have estimated the rate as *an ad valorem duty*, which would make it 44 per cent, to which add 2 per cent for duty on shipping charges, is 46 per cent, making the duty on cost of 51 cents, valued at \$2 50, to be 115 cents, or 225 1-2 per cent.

This we conceive is the true construction of the memorial which proposes that "goods costing over 50 cents, and not exceeding \$2 50 per square yard, should be taken and deemed to have cost \$2 50 a yard, and 40 per cent *ad valorem* to be charged thereon." A law made in conformity to the memorial, would not, we apprehend, admit of any other construction, and we are the more confident in this, because the duties on the tariff bill which passed the House of Representatives last winter, were in the debates estimated by several of the speakers in that way, and not objected to. But it can be of very little consequence whether Congress construe the intention of the memorialists one way or the other. The existing duties have reduced our importation of woollens for last year down to 7,886,826 dollars, of which 441,382 dollars exported, leaves for consumption 7,445,444 dollars, or a little over one tenth part of all we consume. A tariff giving one third the average duties recommended by the Harrisburg Convention, would as effectually exclude woollens, as the enormous rates for which they have petitioned.

which is to destroy all foreign trade, and the effect of which is to impose burdensome taxation on the nation at large, to promote the views of one particular class. Again, from the same address; "in addition to these strong facts, General Washington, who had been President of the Convention, in his message of 1796, particularly recommended to Congress the encouragement of manufactures;" and there follows an extract from his speech. "Congress have repeatedly, and not without success, directed their attention to the encouragement of manufactures. The object is of too much importance not to insure a continuance of their efforts in every way that shall appear eligible. Ought our country to remain dependant on foreign supply, precarious, because liable to be interrupted? If the necessary article should in this mode cost more in time of peace, will not the security and independence thence arising, form an ample compensation?" They proceed to say, Mr. Jefferson's message of December 1802 is to the same effect, and furnish the following extract:

"To cultivate peace, and maintain commerce and navigation in all their lawful enterprises, to foster our fisheries as nurseries of navigation, and for the nurture of man, and to protect the manufactures *adapted to our circumstances*, are the landmarks by which to guide ourselves in all our proceedings."

"Mr. Madison and Mr. Monroe, in their messages uniformly held the same doctrine."

We have here all the proofs which have been adduced by Mr. Ingersoll and others, to show that Washington and Jefferson were in favour of monopolies, and exclusive systems. Their language is open to the understandings of all men, and what is the inference? Why, that they were friendly to *commerce, navigation and manufactures*, and ready to do all they could for their protection and promotion. Do they not connect in all their communications, manufactures with commerce, navigation, and the general welfare of the nation? Do they single out manufactures, and say that all the other great interests of the country shall be sacrificed to them? For this is the doctrine of our opponents. Their system goes to the destruction of commerce and navigation, and the injuring the general welfare. To know the measure of protection, which they considered due to them, consistent with the general welfare, we must look to the state of the tariff under their administrations.

In 1789, the duties on woollen manufactures were 5 per cent, subsequently increased to 7 1-2, under which rates they increased and flourished to such an extent as to supply three quarters of all we consumed, and no *complaints were heard of a want of protecting duties*. During Mr. Adams' Presidency, the rates on cottons and woollens were advanced to 12 1-2 per cent, to which 2 1-2 per cent was added, under Mr. Jefferson's administration, to meet the expenses of war with the Barbary powers. All these additions *were expressly for revenue*, and not a word said about protecting systems.

As to what has been quoted from the communications of the various Presidents to Congress, it was incumbent on them, and in conformity to usage, to notice manufactures in common with all the leading interests of the country, and to have said less, would have implied a gross neglect of duty, but it discovers a singular misapprehension of the characters and understandings of these patriotic and intelligent statesmen, to imagine that either of them would recommend or countenance the policy we are resisting, so entirely at variance as it is with that free and liberal system under which the country had flourished during their administrations.

As to Mr. Madison, the use which our opponents have made of his name, to gain converts and support to their principles, has compelled him to disavow publicly his acquiescence in their notions.

"I must observe also," he says, "that though it is true that I have spoken of the power of Congress, in its enlarged sense, over commerce, as a primary and known object in forming the Constitution; *the language of the statement is inaccurate, at least as being susceptible of a construction embracing indefinite powers over the entire resources of the country.*" What is the inference? Why, that Mr. Madison did not consider that Congress had an "indefinite power over the entire resources of the country." What is it our opponents contend for? Why, that Congress, under certain powers in the Constitution to lay imposts for revenue, regulate trade, and to provide for the general welfare, have the right to pass laws, the obvious effect of which is to diminish and destroy trade, and the inevitable consequences of which will be to impose an enormous taxation on the nation at large for the benefit of a few,—to annihilate revenue, and thus to impair the general welfare. Now what is this but the exercise of an indefinite and unlimited power over the resources of the country? This is the spirit of the "American System," and will its advocates find any thing in Mr. Madison's writings* to justify the principles on which it is founded?

With regard to Mr. Monroe's opinions, we refer our readers to an elaborate argument of his, published in 1822, under the title of "Views of the President of the United States on the Subjects of Internal Improvements;" in which he *defines* those powers of the Constitution, under which our opponents look for the support of their principles. There is nothing in that disquisition, which can give the least countenance to the advocates of unlimited powers of Congress, to the supporters of the "American System."

That the advocates of restriction and prohibition should pretend to rank Mr. Jefferson on their side, is the more remarkable, because he

* "He held it to be one of the truths most demonstrable, that commercial shackles, in general, were *impolitic and unjust*. It was his opinion, that if industry and labour were suffered to take their own course, they would find their proper objects. He believed that the national interests were not more promoted by these restrictions than were those of individuals. The same was the case between different parts of the same community, and between one nation and another."—Madison's Speeches.

was not only hostile to forcing manufactures by bounties and prohibitions, as being a resort to unjust contrivances for their support, but he considered that it would be, for a long time to come, the interest of this country to exchange freely the products of our soil for the manufactures of Europe, both as a matter of pecuniary benefit, and at the same time as more conducive to the health, morals and happiness of the nation. These opinions were expressed in various publications, and at different periods of his life, and *he remained steadfast to them to the very close of his existence.*

But of all the authorities adduced in favour of monopoly and prohibition, the most unwarrantable use has been made of the name and writings of Alexander Hamilton, of which we have already produced one striking instance in the 5th division of this report. The source on which our opponents rely for the opinions of this illustrious man, is his celebrated report on manufactures, which we regret is not more generally read, that its meaning and intention might no longer be perverted to sustain a system which the author of that paper would have been one of the first to condemn. 1st. on account of its injustice; and 2ndly, because of its tendency to injure, instead of promoting manufactures. Shortly after the adoption of our constitution, Hamilton was placed by Washington at the head of the financial department of the government. In that situation, it became part of his official duty to present reports on the various great interests of the nation, which he accordingly did—one on public credit; another on a national bank; one on a mint, and a *fourth* on manufactures.

In the last, he went into a detailed and minute exposition of the advantages of manufactures; the facilities we had of carrying them on, and the best means of promoting them; not, however, confining himself entirely to manufactures, but extending his remarks to agricultural products; such as grain, cotton, hemp, flax, &c. &c.; also to the best means of inland transportation, and of the expediency of canals and other improvements; recommending an increase of imposts on some articles and bounties on others, which he considered virtually the same as imposts. Now, though there are some doctrines and some expedients for the encouragement of manufactures, which would never have found admission to his report, had the writer lived in the present advanced state of political economy, and when the statesmen of the old world are acting upon more liberal and enlightened principles, still there is not a line nor an opinion in it, from which it can be inferred, that he would for an instant have sanctioned the policy or principles of the system we are opposing. Hamilton found the country without revenue and without credit; a government new and unsettled, and in the minds of many, there was a want of confidence in its strength and durability. The revolution had left the nation poor, and when Hamilton made up his reports, the public debt was upwards of 54,000,000 dollars—a sum equal in our present increased wealth and population, to 500,000,000 dollars—which

latter sum can be more easily discharged now, than the former could at the period of which we are speaking. We were without the means of paying even the interest on this debt, and the current expenses of the year. The very existence of the government, seemed at that moment to depend on the establishment of the public credit on a firm and lasting foundation.

Hamilton was called upon to create and organise a revenue system. The main object of his report on manufactures, was to support his previous one on public credit, by holding out all the collateral advantages of the new and increased duties proposed in the latter; and to call the attention of government to other suitable objects of impost, that the nation might become the more reconciled to the necessity of further taxation; and at the same time, in connexion with the other reports, to define and strengthen some of the powers of the general government, which were at that moment distrusted, or not well understood. Pressing, however, as were the wants of government, one cannot but admire the judgment and moderation with which he recommends the alterations on the various articles. The leading principle he adopted, and which all will admit is the fair one, was to impose high rates on superfluities, and low ones on the necessities of life. Accordingly on teas, sugars, coffee, wines and spirits, *deemed luxuries in those days*, the duties were high; while on cottons and woollens, *without which we cannot exist*, they were low. The principle now acted upon by the advocates of the "American System," is to put the highest duties on some of the first necessities of life, and to increase those rates according to the coarseness of the articles.

That Hamilton was friendly to manufactures as being next to agriculture and commerce, the leading interests of the country, there is evidence enough, and what other statesman is there of any eminence, of which the same may not be said? That he contended for the right in Congress to impose duties for revenue, the effect of which would be to encourage and promote manufactures is also true, and who is there who does not commend him for it?

It is the abuse of this power, when carried to such extremes as to prohibit imports, and consequently lessen our export trade, destroy revenue, burden one part of the nation with heavy taxes for the benefit of another, which constitutes the wrong, and which we contend is neither in accordance with the spirit or letter of a constitution, which was intended to guarantee equal laws, equal rights, as well as equal burdens, to all who live under it.

But, say our opponents, Hamilton supported the doctrine of protection. Now this is one of those terms which the advocates of restriction have found it convenient to explain in a sense, the very opposite to what its true meaning imports. We have seen that their protection means prohibition and destruction, to both revenue and trade, and enormous taxation to support the views of particular indi-

viduals at the expense of the nation ; but to know in what sense Hamilton used it, we will refer, not to *their definitions*, but to *his acts*.

At the time Hamilton drew up his report, the duties on ad valorem goods, as we have before shown, averaged 5 1-2 per cent. ; to some of the articles, he recommends additions of 2 1-2 per cent. The duty on cotton goods was 5 per cent., to which he suggested an increase of 2 1-2 per cent. On woollens, which he says "*from specimens in his hands, had already attained a very considerable degree of perfection, and which he was most anxious to cherish and bring to maturity,*" he recommends "*no addition to the 5 per cent. they then enjoyed,* except 2 1-2 per cent. on carpets and carpeting, which he thinks will not be objected to, on account of the nature of the articles "*being considered as luxuries.*"

By what process of reasoning, then, can it be inferred that this able statesman, who, in a most elaborate report, drawn up with a view to revenue, as well as the promotion of manufactures, considered 5 per cent. on woollens as high a duty as they ought to receive, consistent with the general welfare, would be favourable to the present high rates, and still more, that he would sanction the policy or constitutionality of laws proposed avowedly for their prohibition ?

We will now give a few extracts from the report, which will furnish more positive evidence of his entire disagreement with our opponents. Speaking of the policy of encouraging manufactures by high duties on rival articles from abroad, he says—"This is another and an efficacious mean of encouraging national manufactures ; but in general it is only fit to be employed when a manufacture has made such a progress, and is in so many hands, as to insure a due competition, and an adequate supply on reasonable terms."

Here then is one of the passages, which is relied upon as making most strongly in favour of high duties. What, then, are the circumstances under which Hamilton recommends high duties ? "When a manufacture has made such a progress as to insure competition, and an adequate supply on reasonable terms." Now we have already shown that in 1790 we manufactured upwards of three quarters of all the woollens we consumed, and the report admits that "*they had arrived to a very considerable degree of perfection, and that the writer of it was anxious to cherish, and bring them to maturity,*" and consequently they had attained that condition, on which prohibitory or high duties were justifiable ; still Hamilton would give only 5 per cent. *which he deemed sufficient to bring the home fabric to still greater maturity ;* considering, no doubt, that any further protection would be subjecting the nation to a heavier burden than was expedient or just.

We see then most clearly, the difference between Hamilton's ideas of protection, and those of the supporters of the present system, and that, too, upon an obvious construction of a passage considered by them as most favourable to their views. Again—"It would deserve

attention, however, in the employment of this species of encouragement in the United States, as *a reason for a moderate degree of it* in the instances which might be deemed eligible, that the great distance of this country from Europe, imposes very heavy charges on all the fabrics which are brought from thence, amounting to from 15 to 30 per cent. on their value, according to their bulk." Thus under his duty of 5 per cent. the other charges might have been 16 to 17 per cent. making in all 21 to 22 per cent. which he deemed ample encouragement for woollens. The existing duty is 38 per cent. and the other charges 19 per cent. making 57 per cent. which an importer must pay, before he can meet the domestic manufacturer in the home market. The Harrisburg duty is at least 120 per cent. which, adding the 19 per cent. for expenses of importation, will make the average charges on foreign woollens 139 per cent. but on coarse ones, they will be from 175 per cent. to 200 per cent.!!! Again—"The continuance of bounties on manufactures, *long established, must always be of questionable policy*, because a presumption would arise in such case, that there were *natural and inherent impediments to success*. But in new undertakings they are justifiable, as they are oftentimes necessary." We have here another view of his idea of protecting duties; and let us apply his reasoning to the case of woollens.

The manufacture of woollens, (an article which, as a mean of existence, stands next in importance to food) is certainly among the oldest in the country; and, according to *Hamilton's doctrine*, if it has not succeeded under protecting duties of 5 to 38 per cent. it should be considered as one of those undertakings to which "there are natural and inherent impediments, which would render a continuance of the already existing bounty, as of questionable policy." *This reflection goes upon that sound, elementary principle of political economy, which is now universally admitted*, that those manufactures which need the least protection, are best suited to our existing condition, and most conducive to the national welfare; and that those which can only be maintained by great bounties, are shown by that very circumstance, to be least adapted to our character and situation, and therefore injurious to the general welfare.

We give one more extract from this report, and we have done. In speaking again of protecting duties, he observes:

"The propriety of this species of encouragement need not be dwelt upon, as it is not only a clear result from the numerous topics which have been suggested, but is sanctioned by the laws of the United States, in a variety of instances; *it has the additional recommendation of being a resource of revenue.*"

This passage affords a further explanation of Hamilton's notion of protecting duties, and evinces most clearly, that so far from his considering them as an instrument of monopoly to build up the interests of one class to the prejudice of all the others, that he looked to them as *a source of revenue, and as a means of promoting the general good.*

We could multiply quotations, were it necessary, equally to our purpose, but we refer the reader to the report itself, and if he will give it that attentive consideration which so comprehensive and profound an essay merits; taking into view also the circumstances under which it was written, and the objects the writer had most at heart, he will, we are certain, rise from its perusal with the same entire conviction we have done, that there is nothing he has said, *which can afford the least support to the doctrines we are resisting*; indeed it would be extraordinary, if a man of Hamilton's strong, discerning, and just mind, and of his liberal and patriotic views, could for an instant uphold those narrow, impolitic, and unjust principles, on which the prohibitory and exclusive policy is founded.

Having examined the authorities on which our opponents seem to rely the most confidently, to support the justice and constitutionality of their principles, we will now exhibit other authorities, which go to sustain opposite views of the case.

The eminent citizen, referred to by the Pennsylvania Society, as having *convinced one of the most enlightened legislatures of the Union* of the unconstitutionality as well as folly of the prohibitory system, is Mr. Giles, and those who have any recollection of the character he sustained in Congress during the early part of Mr. Jefferson's administration, when he was one of the principal supporters of the government, against as able an opposition as any administration ever encountered, will not doubt his qualifications to form an opinion upon any subject connected with the laws and constitution of the country. To deny the pre-eminent talents and knowledge of a man who could contend successfully in debates upon the most difficult and abstract questions, with the Griswolds and Bayards of the day, would not only be uncandid, but ridiculous.

To the opinion of this experienced and enlightened statesman, we could add those of other public men, distinguished for talents and character, but it would perhaps be objected to them, as it has been to Mr. Giles and others, that from the relation in which they happened to stand to the contest, which now agitates the nation, they were biassed by political considerations.

It is, however, not only an unreasonable, but a very inconsistent objection, because it is notorious, that the opinions of most of them were expressed and acted upon, before the question referred to existed, and it is equally well known that the candidate who is held up for the presidency by those gentlemen and their constituents, has given the prohibitory policy a more open and efficient support, than the person who is supported for the same office in those sections, where the exclusive system is now chiefly maintained. These, however, are political mysteries with which we have no concern; nor should we again have adverted to them, but to show the gross inconsistencies of the partizans of the "American System."

It will not, we presume, be pretended by our opponents, after the

extracts from his works, which they have published, to prove that Jefferson was favourable to their views, that they can object to his authority. We proceed then to lay before our readers, an extract of a letter written to one of his confidential friends, the year after the tariff of 1824 went into operation, by which the duties on various articles were raised, and on woollens from 29 to 38 per cent. "Under the power" says Mr. Jefferson, "*to regulate commerce, they assume indefinitely that also over agriculture and manufactures; and called it regulation too, to take the earnings of one of those branches of industry, and that too the most depressed, and put them into the pockets of the others, the most flourishing of all.*"

Under the authority to establish post roads, they claim that of cutting down mountains for the construction of roads, of digging canals, and aided by a little sophistry on the words "*general welfare,*" a right to do not only the acts to effect that, which are specifically enumerated and permitted, but whatever they shall think or pretend will be for the general welfare. And what is our resource for the preservation of the constitution? Reason and argument? You might as well reason and argue with the marble columns encircling them! The representatives chosen by ourselves, they are joined in the combination, some from incorrect views of government, some from corrupt ones, sufficient voting together to outnumber the sound parts, and with majorities of only 1, 2, 3, bold enough to go forward in defiance. Are we then to stand at arms? No! That must be the last resource, not to be thought of until much longer and greater sufferings. If every infraction of a compact of so many parties, is to be resisted at once, as a dissolution of it, none can ever be formed which would last one year. We must have patience and long endurance then, with our brethren, *while under delusion.* Give them time for reflection and *experience of consequences;* keep ourselves in a situation to profit by the chapter of accidents, and *separate from our companions only when the sole alternatives left, are the dissolution of our union with them, OR SUBMISSION TO A GOVERNMENT WITHOUT LIMITATION OF POWERS.* Between these two evils, when we must make choice, THERE CAN BE NO HESITATION, but in the meanwhile the States should be watchful to note every material usurpation on their rights, *to denounce them as they occur in the most peremptory terms,* to protest against them, as wrongs to which our present submission shall be considered, not as acknowledgments or precedents of rights, but as temporary yielding to the lesser evil, *until their accumulation shall outweigh that of separation."* We entreat most earnestly, that our readers, to whatever party they may belong, would not pass this passage in our report, without giving it that deep consideration which it merits. We here behold a venerable and experienced statesman, who loved his country, understood her interests, and was solicitous for her future welfare; wholly unconnected with parties, having nothing to fear from the one, or to hope from the

other ; disengaged as it were from this world, and standing on the confines of the other, and anxious to render his last service to his country, pronouncing in the most emphatic, but unimpassioned manner, his judgment on the system we are opposing.

He denounces it as unjust, unconstitutional, and as inevitably leading, if persisted in, to a dissolution of the Union, and a separation of the States, and *even recommends that alternative*, as more tolerable than the evils which would grow out of a submission to a policy, so ruinous to the peace and welfare of the nation. Solemn and impressive as this denunciation is, it serves rather to deepen a former, than create any new conviction in our minds, of Jefferson's disapprobation of the principles which have so unjustly been imputed to him. The sentiments here expressed, are conformable to Mr. Jefferson's well known opinions upon subjects of this nature, and are in proper keeping with the whole tenor of his life and character, and could we appeal personally, to Washington, Hamilton, and Ames, upon the merits of the prohibitory system, we should have from them, also, the same sentence of reprobation against it, which Mr. Jefferson has just pronounced.

It was natural enough, that those who imagined they had succeeded in imposing on the nation the belief that the acts and opinions of Mr. Jefferson would sanction the prohibitory policy, should feel disturbed at the appearance of a letter which placed them and their cause, in such an awkward predicament, and that consequently they would endeavour to evade, or lessen its force.

Accordingly, both the author of the communication and the gentleman to whom it is addressed, have been assailed by the friends of the "American System," with the most *abusive* terms ; but the reasons which have been given to discredit the opinions it contains, are so extraordinary, that we will state them in the words which our opponents themselves employ, in their remarks upon Mr. Jefferson's letter.

We find the various objections to Mr. Jefferson's opinions embraced in the following extracts from the remarks of the editor of the National Gazette, of Philadelphia, and Richmond Whig, in Virginia. The editor of the former, in speaking of the opinions expressed by Mr. Jefferson in the letter, observes—"If he (Mr. Jefferson) *had exercised his judgment independently*, and studied the questions thoroughly and impartially, he would have been far from adopting, or at least *uttering with freedom and confidence*." The editor of the Whig remarks—"We now ask which opinions deserve our confidence most? Those which were expressed by Mr. Jefferson, when in the vigour of life and public usefulness, which were published to the world, and enforced by his great authority as President of the United States, or the opinions of the same *Mr. Jefferson, delivered at the advanced age of 82 years*, under the weight of infirmity and private embarrassments, and communicated in a *private and*

confidential letter, which he had no expectation would ever be revealed."

The motives which induced Mr. Giles to publish this letter ought not to affect our confidence in the opinions of Mr. Jefferson, but so far from conceiving this a blameable act, we think Mr. Giles, as a friend to Mr. Jefferson, was bound so to do. A party interested in building up a system hostile to the best interests of the country, very improperly, as we have before shown, quote Mr. Jefferson as supporting their views and proceedings. His friends justly considering such a charge as injurious to his character and fame, publish such an explicit declaration of his opinions, as they think must remove from the minds of every one, so blasting an imputation. What could be more natural? What more praiseworthy? The objections to Mr. Jefferson's opinions are, that he was not a man of *sincere and independent mind*; that the opinions, as one of them expresses himself, were "uttered with freedom and confidence;" or as the other, "communicated in a private and confidential letter"—and lastly, that "they were delivered at the advanced age of 82."

The charges of insincerity and want of independence, we never heard brought against Mr. Jefferson in the most violent and intolerant days of political warfare; we presume that no persons who ever knew Mr. Jefferson's character, will for a moment give the least credit to them. The communication of an opinion in a "*private and confidential letter*," we should not think, under any circumstances, would lessen our belief in it; more especially, if like our opponents, we considered the writer wanting in *sincerity and independence*.

We had supposed if political men had two sets of opinions, that the "*private and confidential*" were the most to be relied upon.

We come now to his age. We admit that no man's opinion, upon a new and difficult subject is to be entirely relied upon at that advanced period; *but this was not a new question to Mr. Jefferson*, and as the editor truly says, "it was at the age of 82 he delivered this opinion." It was formed early in life, *and never forsaken*. We of course do not mean that the identical points discussed in the letter to Mr. Giles, were at an early period presented to him, but the general principles on which the system was founded, and its consequences were familiar to him, and he had only to apply them to the case before him; our opponents might as well, therefore, object his age to the re-affirmation of a proposition in arithmetic which had been familiar to him from his youth. As to his former opinions, he never entertained any other on the question we are discussing, than the one expressed in the letter to Mr. Giles. In the letter to Mr. Austin, cited by the editor of the Whig, he expresses himself friendly to manufactures, as he had done before in his messages, and we have shown to what an extent he deemed it proper to go for their promotion; but it is one thing to give such an honest support to man-

ufactures, as is compatible with a just regard to the public welfare, and another to be friendly to a system which is injurious to all the rest of the nation, and may finally ruin the manufacturers themselves.

Another great statesman, claimed by Mr. Carey and others, as in favour of the forcing system, is Franklin ; but with how little truth, the following extract from his works will show.

“ Several of the Princes of Europe, of late, from an opinion of the advantage to arise by producing *all commodities and manufactures within their own dominions*, so as to diminish or render useless their importations, have endeavoured to entice workmen from other countries, by high salaries, privileges, &c. Many persons pretending to be skilled in various great manufactures, imagining that America must be in want of them, and that the Congress would be disposed to imitate the Princes above mentioned, have proposed to go over, on condition of having their passages paid, lands given, salaries appointed, exclusive privileges for terms of years, &c. Such persons, on reading the articles of confederation, will find *that Congress have no power* committed to them, or money put into their hands for such purposes, and that if any such encouragement is given, it must be by the government of some separate State.” Again ; “ And when the governments have been solicited to support such schemes by encouragements, in money, *or by imposing duties on importation of such goods, it has been generally refused, on this principle, that if the country is ripe for the manufacture, it may be carried on by private persons to advantage ; and if not, it is a folly to think of forcing nature.* Great establishments of manufacture, require great numbers of the poor to do the work for small wages ; those poor are to be found in Europe, *but will not be found in America, till the lands are all taken up and cultivated, and the excess of the people who cannot get land, want employment.*”

Is there any thing here to support the wisdom, the justice, or constitutionality of the prohibitory, non-importation, non-exportation, “ American System ?”

We will now present our readers with some of the resolutions, appended to an able report of a committee, appointed at a general meeting of the citizens of Boston, August 1820. The committee consisted of the following persons :

William Gray,	Daniel Webster,	George Hallet,
James Perkins,	Nathan Appleton,	S. P. Gardner,
John Dorr,	Abbot Lawrence,	Josiah Knapp,
Nathaniel Goddard,	Joseph Sewall,	Isaac Winslow,
Benjamin Rich,	Jonathan Phillips,	Winslow Lewis,
Israel Thorndike, Jr.	Lot Wheelwright,	Thos. Wigglesworth,
William Shimmin,	Caleb Loring,	John Cotton,
Thomas W. Ward,	Samuel A. Welles,	John Parker,
William Harris,	George Bond,	William Sturgis.

It will be admitted by all those acquainted with the pursuits and characters of those gentlemen, that it is a fair and able representation of the various interests of the country.

“RESOLVED; That no objection ought ever to be made to any amount of taxes, equally apportioned and imposed for the purpose of raising revenue necessary for the support of government; *but that taxes imposed on the people for the sole benefit of any one class of men, are equally inconsistent with the principles of our constitution and with sound policy.*”

“RESOLVED; That *high bounties* on such domestic manufactures as are principally benefitted by that tariff, *favour great capitalists rather than personal industry*, or the owners of small capitals, and therefore, that we do not perceive its tendency to promote national industry.”

“RESOLVED; That the imposition of duties, *which are enormous*, and deemed by a large portion of the people to be unequal and unjust, is dangerous, as it encourages the practice of smuggling.”

“RESOLVED; That in our opinion, the proposed tariff and the principles on which it is avowedly founded, would if adopted, have a tendency, however different may be the motives of those who recommend them, to *diminish the industry, impede the prosperity, and corrupt the morals of the people.*”

“RESOLVED; That we are equally incapable of discovering its beneficial effects on agriculture, since the obvious consequence of its adoption, would be, *that the farmer must give more than he now does for all he buys, and receive less for all he sells.*”

These positions were sustained by facts and arguments which satisfied the meeting held on the 2nd of October, 1820, of their correctness, *and they were unanimously adopted.*

It should be borne in mind, that at this period, the duties on all but very fine cotton goods were considerably less than they now are, and that woollens which then paid 29 per cent, now pay 38 per cent. The Harrisburg tariff calls for a very great increase of duties on coloured and printed cotton goods, which made up near five-sevenths of the whole importation of cotton goods in 1826.

On coarse woollens the maximum is fixed at 225 per cent, to be increased in 1830 one fourth, making 281 per cent; on fine goods 46 per cent, to be increased in 1830 to 57 1-2 per cent. This we believe is to be one of the established maxims of the “American System,” viz. The coarser the goods, the higher the duties, because they interfere more than the fine ones with our own fabrics.

It may be well also to remark, that among the committee, and at the meeting which adopted the resolutions, were many gentlemen, who, by their wealth, talents and enterprise, have taken the lead in the introduction, establishment, and improvement of various manufactures, and more particularly cottons and woollens, and as it is within the knowledge of the committee, that many of these persons have since greatly extended their concerns, it is reasonably inferred,

that they either considered the former duties sufficient, or at any rate, as high as it was right for the government to impose ; and we believe such are the opinions still entertained by those who best understand the manufacturing interests. We say then, that the language of these resolutions bear us out in the doctrine we are attempting by authorities and arguments to support, "*that taxes imposed on the people, not with a view to revenue, but for the sole benefit of any one class of men, are inconsistent with the principles of our constitution, and with sound policy.*" Such were the opinions and declarations of the most intelligent manufacturers in this quarter, when the duties on cottons were much less than they now enjoy, and still less than what they are rated at in the Harrisburg tariff, and when the duties on woollens were 29 per cent ; they now enjoy 38 per cent, and are to be raised on an average, (if the Harrisburg tariff is adopted,) first to 120 per cent, and finally to 150 per cent !!!

The following extracts are from the memorial to Congress, of a general meeting of merchants from the principal cities in the United States, held in Philadelphia, November, 1820, with a view to oppose those additions made to the tariff in 1824.

"Once admit, that Congress *may use the power of taxing imports ad-libitum, for any other purpose but that of revenue*, and you give them in reality, the power to say to the citizens of these United States, you must devote yourselves to agriculture, commerce or manufactures, not as you may happen to be inclined, but according to our sovereign will and pleasure.

Let it never be forgotten, that the question now about to be determined, is not so much *what may be beneficial to manufactures*, as whether government has a right to benefit these, to the manifest injury both of the agricultural and commercial classes ? Whether the constitutional provisions against taxing exports, can be rendered *in a great measure nugatory, by diminishing at pleasure*, the value of our exportable commodities, through the instrumentality of a tax upon imports ? And finally, whether the direction and employment of individual capital, are matters to be regulated and controlled by individual choice, or by the will of the national legislature ?"

"That where such duties are imposed to foster the particular interests of any class, who pay no part thereof, *those duties must necessarily come out of the pockets of all the other classes in the community*, and are in direct violation of that fundamental maxim, "not to tax the many for the benefit of the few." These doctrines were not thought unsound in this quarter by manufacturers generally, nor any other classes ; nor are they, we trust, at this moment, except by a very limited number of persons.

The following extract is the closing paragraph of the Salem memorial to Congress in 1820, in opposition to any further increase of duties. That memorial contained probably the clearest and most comprehensive statement and defence of the advantages of a free

trade, and the evils and injustice of the "American System," which was presented to Government on that occasion. It was well understood at the time, to come from the mind of one of our most learned and accomplished men, whose profession, united with the advantage of a long residence in a manufacturing and commercial community, made him familiar with all the leading interests of the country, and enabled him to decide correctly and impartially upon the encouragement each might require, or might deserve, with due reference to the rights and interests of the nation.

"Upon the whole, the memorialists would respectfully state their unequivocal opinion, that all the measures to which they have alluded, are calculated to impair our naval strength and glory; to injure our most profitable commerce; to diminish in an alarming degree the public revenue; to promote unjustifiable speculation; to enhance the prices of manufactures; to throw the great business and trade of the nation into the hands of a few capitalists, to the exclusion of the industrious and enterprising of other classes; to introduce general distress among commercial artizans and agriculturalists; to aggravate the present distress of the other classes of the community; to provoke and extend an undue appetite for fraud and smuggling; and in fine, *to destroy many of the great objects for which the constitution of the United States was originally framed and adopted.*"*

We do not mean to say that the author of this powerful and eloquent memorial, of which we have just given a portion, meant to give any opinion on the point we are more particularly discussing, it might have appeared improper to him so to do, standing in the offi-

*"Nothing can be more obvious, than that many of the manufacturers and their friends are attempting by *fallacious statements, founded on an interested policy*, or a misguided zeal, or *very short-sighted views*, to up-root some of the fundamental principles of our revenue policy, and to compel our merchants to abandon some of the most lucrative branches of commerce; branches which alone enable us to contend with success against the monopoly and the competition of foreign nations". Salem Memorial.

"The memorialists most sincerely believe that is a sound political maxim, that the more free trade is, and the more widely it circulates, the more sure will be its prosperity, and that of the nation; *every restriction which is not indispensable for purposes of revenue*, is a shoal, which will impede its progress, and not unfrequently jeopard its security." Salem Memorial.

"It is not a little remarkable too, that those attempts to which the memorialists allude, are *not only repugnant to those maxims of free trade*, which the United States have hitherto so forcibly and perseveringly contended for, as the sure foundation of national prosperity; but they are pressed upon us at a moment, when the statesmen of the old world, in *admiration of the success of our policy*, are *relaxing the vigour of their own systems*, and yielding themselves to the national doctrine, *that national wealth is best promoted by a free interchange of commodities, upon the principles of perfect reciprocity.*" Salem Memorial.

"The cotton and woollen trade is already loaded with 20 and 25 per cent duties, and if there be added the freight and charges upon importation, the domestic manufacturers have now an encouragement, or a profit, of 30 to 35 per cent more than the European manufacturers possess, if the same articles can be manufactured as cheap at home as abroad." "Why should the farmer, and the planter, and the merchant, and the labouring classes of the community, *be taxed for the necessities of life*, a sum equal to more than one quarter part of the whole expenditures on these objects, that the *manufacturers* may put this sum into their own pockets?" Salem Memorial.

cial relation which he does to the government ; but he has shown in the most convincing manner, the inexpediency and injustice of the whole system we are opposing.

We have one more authority, and we have done. We hope it will be satisfactory to all parties, for though it must be admitted that the gentleman to whom we are indebted for it, has dealt most severely with the "American System," yet our opponents cannot deny that he has also been friendly to manufacturers, more especially the manufacturers of woollens ; and at any rate, all will agree that his opinions are to be respected.

The following is an extract of a speech made by Mr. Webster, at Faneuil Hall, 2d October, 1820, on the adoption of the report and resolutions of the Boston Committee, to which we have before adverted.

"There is a power in names ; and those who had pressed the tariff on Congress and on the country, had represented it as immediately, and almost exclusively connected with domestic industry, and national independence. *In his opinion, no measure could prove more injurious to the industry of the country, and nothing was more fanciful than the opinion, that national independence rendered such a measure necessary. He certainly thought it might be doubted, whether Congress would not be acting somewhat against the spirit and intention of the constitution, in exercising a power to control essentially the pursuits and occupations of individuals, in their private concerns ; a power to force great and sudden changes, both of occupation and property, upon individuals, not as incidental to the exercise of any other power, but as a substantial and direct power. If such changes were wrought incidentally only, and were the necessary consequence of such impost as Congress for the leading purpose of revenue should enact, then they could not be complained of. But he doubted whether Congress fairly possessed the power of turning the incident into the principal ; and instead of leaving manufactures to the protection of such laws as should be passed with a primary regard to revenue, of enacting laws, with the avowed object of giving a preference to particular manufactures, with an entire disregard to all the considerations of revenue ; and instead of laying such imposts as would best answer the purpose of raising revenue, with the least burden on the public ; carrying the impost on certain articles to a burdensome excess, with a full knowledge that the increase of duty will diminish the amount of revenue raised.*"

These were the sentiments of Mr. Webster, when there was a question of raising the duties on cotton goods from rates much less than all but very fine ones now enjoy.

The import of cotton goods from all quarters for 1826, after deducting the amount re-exported, is 5,601,961 dollars, of which 4,024,344 dollars, were coloured and printed. These goods now pay 7 1-2 cents a square yard, which may perhaps average 50 per cent., and by the Harrisburg Tariff, they are to pay 10 cents, for the

avowed purpose of excluding them. Our importation of the greatest staple of trade and consumption, next to woollens, will then be reduced to 1,577,617 dollars, which was the amount of white cottons imported for consumption in 1826. The woollen manufacturers' Tariff of 1827, called for an average duty on woollens of 80 per cent.; but that not being sufficiently encouraging for the "American System," the Harrisburg Convention have raised it from 57 1-2 to 281 per cent. It is impossible to say exactly what it may average, nor is it of any importance, for nothing can be imported under it, except the finest cloths which pay the duty of 57 1-2 per cent., nor indeed can they be imported when our manufacturers turn their attention to goods of that description. Here then it must be admitted we have arrived at that point of prohibition, which Mr. Lawrence, Mr. Everett, Mr. Niles, Mr. Carey, and other distinguished leaders of the prohibitory party, say is essential to their purposes, and to the national welfare.

Mr. Webster's opinion, as to the constitutionality of the prohibitory system, is expressed with that caution, which so important a question merits, and habitual, we suppose, to a man who must be conscious of the great influence he exercises over the public mind. It is not for us to put a construction upon it different from what he might have intended.

We see no ambiguity in the terms and phrases he uses, and we ask our readers to take them according to their fair import, and in connexion with the resolutions and report before mentioned, which he had previously sanctioned, and we apprehend there can be no doubt on the mind of any one, what his opinion really was. If, however, there were any doubts on the mind of Mr. Webster, and they rested on the question—*whether the rates of duty had then reached that point, when they must necessarily produce those bad effects which he describes*—we must conclude those doubts would be removed, when the rates in question are from 80 to 150 per cent.; still more, when the evident object of the advocates of the system, *is to prohibit foreign importations.*

We believe that the opinions expressed by Mr. Jefferson, Mr. Giles, Mr. Webster, and other distinguished legislators, are held in common by all men of sound and enlightened views, who look at the subject with an eye of impartiality, divested of those sectional, political, and personal considerations, which seem so unfortunately to have blended themselves with this important question; and that they all equally condemn the impolicy, injustice, and unconstitutionality of those principles against which we are contending, when carried to the extremes, which our opponents seem determined to carry them.

We had forgotten one other authority, which we fear however our opponents, from their manner of treating their own case and the understandings of their followers, can have very little reverence for. We mean, *the authority of common sense.*

We would appeal then *to the common sense* of every fair and unprejudiced mind, whether it comports with their notions of justice and constitutionality, for Congress to avail itself of powers granted for certain ends, and those ends, such as would conduce to the general welfare—to accomplish other purposes, for which those powers were never intended, the certain effect of which is to destroy trade, and the inevitable consequences—an almost entire loss of revenue—a heavy taxation of the many for the benefit of the few—an interruption of our commercial intercourse with the rest of the world—and finally, to put in jeopardy the peace and happiness of the nation.

If, however, the government really does possess such powers, and we can suppose that there ever would be a Congress assembled, determined to exercise them in the way our opponents recommend, then we say, that, that sacred instrument, we call a Constitution, has not those virtues we once imagined it to possess; and we fear, should the time ever arrive, when it is exposed to such a trial, that it can no longer answer the purposes for which it was intended.

SECTION 12th. Another plausible argument in favor of the prohibitory system and against foreign trade, and which is very much dwelt upon, even by some very intelligent men, is, *the dignity and advantage of being independent of foreign nations*. Mr. Clay observes in one of his speeches on the Tariff in 1820:—"The independence of my country, on all foreign states, as respects a supply of all foreign wants, has ever been with me a favorite object." That this is a correct sentiment no one will dispute, but to our apprehensions, it is totally misapplied. It is founded on a strange misapprehension of the term independence.

What is independence, but the means of providing for our own support? Now the tendency of commerce, whether foreign or domestic, is, *not to lessen, but to increase those means*. If this is true as regards the intercourse between sections, states, towns and individuals, it is equally so with regard to nations; and if it was otherwise, it is manifest, that commerce would cease to exist, *without the aid of legislative expedients*, as no intercourse could be of long continuance, which was not mutually beneficial. But, say our opponents, "it is a badge of dependance, unworthy of a free and great nation."

We answer, that this is a sentiment worthy of a slavish, unenlightened and barbarous nation, and to no other should it ever be addressed. There is no question of dignity involved in our foreign trade, more than there is in the transactions between our own states, towns and individuals. No one considers the inhabitants of the south as derogating from their characters in exchanging their produce for our manufactures, nor is there any abatement of our own self-respect, in buying from them what their soil and climate can best afford, in return for the results of our industry. We should entertain the same views in regard to our intercourse with foreign nations. It is an affair of mutual convenience, and sought for equally by both parties. It is founded on reciprocal wants and reciprocal benefits.

Is it not so, too, in respect to what some term national dependence? We exchange with various foreign nations, such superfluities as we have to spare, for what they have to give in return, and which we may happen to want. What we receive is paid for in equivalents, which cancel the obligation, and make the dependence mutual. Where then is that loss of dignity and independence, which those terms, in the sense our opponents use them, would imply?

We grant there may be a dependence on foreign nations, which would really be inconvenient and dangerous: such as too great reliance on them for munitions of war, and other means of self-defence; and still more, if we were to depend on them for bread stuffs, provisions and other means of existence, to such an extent, as on any interruption of the usual intercourse, might expose us to great sufferings. But in the commercial relations which we have with all the world, our situation is precisely the reverse of this. We supply raw materials and provisions, and rather create in others that sort of dependence which it is prudent to avoid, than take any risk of being exposed to it ourselves.

Our situation has never been such within the memory of any one now living, that a total non-intercourse with the rest of the world, would have deprived us of the necessaries, and hardly even of the superfluities of life. No nation on earth can be more favourably situated than this, in being beyond the reach of those evils which may arise from the derangement or stoppage of an extensive foreign trade.

Obvious however as this view of our situation must be to all reflecting men, our opponents are making incessant appeals to the national prejudices, national pride, and national fears, of the disgrace we now incur, and the sufferings we may be liable to, from foreign dependence.

The only event which can interrupt our intercourse with foreign nations, to any inconvenient degree, is a war with Great Britain.

This has happened twice, and the first time at a period when we were, comparatively speaking, in a helpless situation; yet we survived all the evils incident to that state. But it was during the last war with Great Britain, our opponents pretend to say we experienced the greatest inconveniences and sufferings, and we refer to the Pennsylvania Address for the most distressing instance we have yet seen, in proof of their assertion. "The attempts to establish the woollen manufactures, during the first 20 years of the operation of our government, *had so wholly failed*, that in the year 1812, we were unable to furnish a supply of blankets for the Indians to the amount of 6,000 dollars, so that the Secretary of War *applied to Congress to repeal the non-intercourse law, to enable us to procure them from Great Britain.*

As to the assertion "that all attempts to establish woollen manufactures during the first 20 years of our government," we have already shown its incorrectness by proving that we supplied three-

fourths of our consumption as far back as 1790, and that the manufacture had then attained a considerable degree of perfection, as we are told by Hamilton, in an extract from his report, given in our last section. Of the fact of the 6,000 dollars worth of blankets, so much wanted, we cannot doubt, since we have so often seen it repeated in the speeches, memorials, and essays of the leading advocates of the non-importation system, and always as illustrating in the most striking and affecting manner, the dangers and sufferings which this nation had actually been exposed to, *by her foreign dependence*. Let us examine this extraordinary fact. A nation of 9,000,000 people, consuming 55 to 60,000,000 dollars of woollens, 3-4 of which were made at home, *distressed for want of 6,000 dollars worth of blankets!!* Now, it would, we think, be rating the spirit of our countrymen very low, to suppose that a requisition upon the patriotism of any of our large cities, would not have procured 6,000 dollars worth of blankets in six hours, without disturbing the comfort of one of their citizens; and it would be putting the industry and skill of our manufacturers still lower, not to believe that in as many weeks, they could have furnished 600,000 dollars more, from materials of both *cotton and wool*, which we then had, and always shall have, in the greatest abundance. But was there no other way to escape from this alarming emergency? What were the difficulties which stood in the way of our relief? Why, they themselves tell us, that we had only to repeal our own non-intercourse laws, and our very enemy would send us blankets by ship loads!! But this, say the advocates of non-importation, *was undignified and unpatriotic*. We do not see it in that point of view. It might be unwise to make laws which stand in the way of our own interests, but it certainly would not be *unpatriotic* to repeal them. We are afraid our readers may think we are trifling with the subject, but we can assure them, the statement we have just examined, contains the *strongest argument* which the historical researches of our opponents for 200 years, have yet furnished, to prove the dangers incident to a dependence on "foreign supplies."

But were the interruptions to commerce more frequent, and more serious in their effects, than any we are now liable to suffer, yet it would not be wise to forego the immense benefits we enjoy from a free trade, for the short periods in which those difficulties might exist. We are told to be sure, by Mr. Otis, in his Woollens Convention Speech, that "the ordinary relations of the nations of the world, are those of wars and rumours of wars." Why not add, their ordinary condition is pestilence and famine? It would be just as wise to regulate our commercial policy upon the latter contingencies, as the former. If there is *any truth in history*, the ordinary relations of nations, are peace and commerce; the exceptions, commercial restrictions, prohibitions, non-intercourse with foreign nations, foreign wars and civil dissensions; and such we apprehend, will be the end of

the "American System," *falsely so termed*, should it unhappily ever prevail.

But Mr. Clay is not consistent with himself. In a speech made at Pittsburg, in June, he observes, "if, as I hope, *our system is preserved and improved*, I will now hazard the prediction, that in less than 20 years, the value of our exported manufactures, will exceed in amount, that of all the exports of raw produce from this country."

Of the extravagance of such a prophecy, we think there can be but one opinion, and so little is it believed in, by the manufacturers themselves, that the delegates at the Harrisburg Convention, men chosen, as it is well known, for their knowledge and experience, and praised for their disinterestedness and *moderation*, have just decided, that cottons will not succeed without an addition of 20 or 30 per cent on such kinds as are chiefly imported; and woollens cannot flourish without duties of 46 to 225 per cent, to rise hereafter 57 1-2 to 281 per cent, reserving to themselves the right, we suppose, of going still further, should these *moderate rates*, prove insufficient to keep out of our markets, the foreign manufacturer. Admitting, however, that by some miraculous changes, which no one but a *prophet* can foresee, Mr. Clay's prediction is fulfilled, what then would be our situation? We should have manufactures instead of raw produce, or both manufactures and raw produce to export, and for which we should still have to rely on foreign nations for the purchase and consumption, and our citizens would again rely on foreign nations for the supply of those articles we should receive in return. What then becomes of our dignity, and the independence of our country on all foreign nations? The commerce we have with Europeans is almost entirely an exchange of our raw produce for their manufactures, or produce. It is the exchange of these equivalents, which constitutes its support. If either party, therefore, refuses what the other can alone give, *there must necessarily be an end of all commercial dealings*; and such, whatever may be the intentions of those who advocate what is termed independence of foreign nations, will be the effect of excluding by high duties, the fabrics and produce of other countries. If, however, the argument of being independent on foreign nations is worth any thing, it is on account of the interruptions to which our trade with them may be subjected. Now there is no event which can produce that effect, except a war with Great Britain; and New England would, in that case, find it as difficult to communicate with the Carolinas, and still more with the States south and west of them, as with France, or those European nations with whom we might be at peace. It is true we should have an inland communication, but none of the productions we get from those States, would bear the heavy expense of transporting; at any rate, the cost would be greater than the freight and insurance upon transporting goods to and from Europe. The same would apply to most of the articles we send from hence to the Southern

States. If it is wise, therefore, to lessen or destroy our foreign trade, on account of any interruptions it may be liable to by war, it would be equally wise to prohibit all intercourse between those sections of the United States, which may be exposed to the same hazards. Indeed, to carry out this principle of independence, and to have the full advantage of it, we should extend it to the intercourse between towns, families and individuals, and to enjoy the full value of the blessing, we must go back to that *independent state*, where the habits, occupations, and limited wants of man, sink him to a level with the brute. So far, however, is this voluntary commercial dependance from being injurious, that it not only increases our means of being independent, but serves, like the intercourse between the various sections of our own country, as a bond of amity, which is the more likely to be lasting, because of the mutual advantages it confers. The prevention of our trade with Europe, for the sake of making certain goods at home, at double what they would cost abroad, is just as impolitic, as if New England, being a sovereign State, should, in order to preserve what is called her independence, compel her inhabitants to pay 10 dollars for a barrel of New England flour, which could be had in Virginia for 5 dollars.

Under such a system, we should be *independent* on Southern supplies, but the loss to New England would be \$5,000,000, \$7,000,000 or \$10,000,000, as might be, for each year. And this is the operation of the "American System," in promoting our national independence. It is, in fact, lessening our means of support, *in order that we may be more independent*. Can any thing be more irrational or more preposterous?

SECTION 13. The balance of trade, by which our opponents mean the gain or loss we sustain in our foreign trade; is one of those miserable and exploded errors of the mercantile system, which having long since been banished from every enlightened mind, has like many similar delusions, been revived among us, to work upon the prejudices of the nation, and reconcile them to the prohibitory manufacturing policy; as it was formerly, to build up commercial monopolies. "The foreign commerce of the country," says Mr. Clay in one of his speeches, "from some causes, some of which I have endeavoured to point out, has been extended as far as it can be. And I think there can be but little doubt, *that the balance of trade is, and has been for some time past against us*. I was surprised to hear the learned gentleman from Massachusetts, (Mr. Webster, of Boston,) *rejecting as a detected and exploded fallacy, the idea of a balance of trade*. I have not time nor inclination to discuss that topic now." It is with much surprise, and still greater regret, we see men of Mr. Clay's knowledge and powers of mind, defending such "*exploded fallacies*." It is the currency these errors derive from such names, which has compelled the committee to go into explanations upon many points so familiar to an intelligent mercantile community like this, as to appear quite superfluous.

There are three circumstances, chiefly relied upon, to show which way the balance of trade lies. 1st. The course of exchange. 2d. Debts due to foreign countries. 3d. The Custom House returns of exports and imports.

1st. If the premium on bills on any particular country is high, it is inferred that the balance of trade is against us, or that we lose in our transactions with that nation. Now the price of bills, like every thing else, depends upon the supply and demand, and those again are affected by the import and export trade, between the two countries, making these negotiations, and by other circumstances also ; but the premium or discount on bills, cannot much exceed the trouble and expense of transmitting coin, for which indeed they are a substitute. When the rate rises beyond that, the merchant who has debts to pay, or goods to purchase, will send gold or silver. On the other hand, should the course of trade lessen the demand for exchange, so as to produce a decline in price, greater than the expense of importing coin, it will be for the interest of the merchant to import his funds in coin, instead of selling bills, and in this way the price is kept, either above or below par, within about such a rate, as will equal the expense of importing or exporting bullion or specie. It is not necessary, however, to do this to any great extent in our trade with Europeans, for the commercial transactions between us and them nearly balance each other. The exchange on England has for several years past borne a nominal advance of 7 to 12 per cent, averaging perhaps 10 per cent, varying from time to time, according to the course of trade, value of bullion, scarcity of money, &c. &c. ; but the real advance, as we shall hereafter show, is about 2 1-2 per cent.* It is inferred from this premium on bills, that we lose by our trade with England, but nothing can be more false than such a conclusion ; and so would the opposite one be, if it was inferred from our drawing on England at a discount, that we were doing a profitable business. What then does the premium for bills on England indicate ? Why, that funds are wanted in England, where they are accumulated, from the proceeds of cargoes sent to Great Britain, and also from the proceeds of cargoes sold in other parts of the world, and transmitted to England, from whence they are again distributed to France, Germany, Russia, China, India, &c. for various commercial purposes, a portion being retained to pay for importations of British goods. We find it convenient to concentrate our resources in England, as the centre of all our mercantile dealings. If a merchant wanted funds in China or India, he would also have to pay a premium equal to the interest, freight and insurance, or the charges of transmitting specie, which would of course be higher than

* "Our exports," says the Pennsylvania Address, "notwithstanding we manufacture about \$25,000,000 per annum of cotton and woollen goods, are insufficient to preserve a favourable course of exchange."

the cost of sending to Europe, and yet no one would pretend to decide from that circumstance, upon the profit or loss of those branches of trade. It might be convenient to collect our funds in some place where we neither purchase or sell any goods, still the owners of those funds would require the current premium, or sell at the current discount, and it certainly could not in that case be said, that the premium or discount on exchange, indicated a balance of trade either for or against us.

2d. Another indication of the bad state of our foreign trade, especially with England, is the debt we are said to owe to that country, and this is one of the evidences of a balance of trade being against us. That we are much in debt, is evident, says Mr. Niles, "because exchange is 10 per cent against us."

It is not true that exchange is 10 per cent against us, nor has it ever been so. The real advance, as we have before observed, is now about 2 1-2 per cent. It has been occasionally higher, and sometimes, as in 1825, below par, but only for a short period. If bills were, however, at 20 per cent premium, it would not follow, that we owed money in England, still less would it show that the trade with her was unprofitable. If Great Britain owed us \$20,000,000, there might be such a demand for these funds abroad, as to make them worth a premium; and on the other hand, if we owed Great Britain as much, there might *be such a demand for money here*, as to make bills sell at a discount. The course of exchange then, is no certain evidence of the state of debt due to, or from England; nor would the contracting of debts yearly in England, show that we were doing an unprofitable business. Let us imagine that last year our exports to Great Britain were \$40,000,000, and our imports the same; then, according to our opponents, we should be doing a saving business. Let us suppose then we export this year \$40,000,000, which produces the same as in the former one, but that we borrow in addition \$10,000,000, and import the amount in merchandize; this would afford evidence according to our opponents, that we were carrying on a losing trade. Why so, we would ask? Because, say they, we have incurred a debt. That is true, but we have an equivalent in goods, which will at any time enable us to cancel it. Where then is the loss to the nation, or how does the existence of such a debt prove a balance of trade against us? Now if this \$10,000,000 borrowed money had been brought home in dollars, an advocate of the "American System" would have admitted that there was no loss to the country. But \$10,000,000 in merchandize, may be of as much value as \$10,000,000 in specie. The merchant, who knows the wants of the country better than legislators or economists, *because it is his business to know them*, would bring the specie, if it was more wanted than the merchandize; but if the specie was less wanted than the merchandize, it would not only be an act of folly on the part of the merchant, *but an injury to the nation* to import it.

A superfluity of specie is of no more use to a country, than a superfluity of almanacs, *except as an article of commerce to send where it is wanted.*

The U. S. Bank, and other institutions, have occasionally borrowed large sums in England at a lower rate of interest than what could be obtained here, on which they may perhaps have gained 1 or 2 per cent. by re-lending. Here is a debt created, but does any one consider that the balance of trade is against them? The effect of borrowing from a foreign country is the same as that of one state borrowing from another. Ohio sends to New York produce which sells for \$2,000,000, and borrows in addition \$2,000,000 more, which is carried back in specie or merchandise, whichever may happen to be most required. Now this to the apprehension of those we are opposing, shows a balance of trade, or an unprofitable business on the part of Ohio; though with the 2,000,000 dollars of borrowed money she should construct canals, worth to her double the amount. The amount of our debt to England is an indication of the greater demand for capital here, than there.

If money can be hired for 3 per cent. in London, and reloaned for 6 per cent. here, then it would be expedient to borrow largely, and we should do so if we had credit enough, till the transfer of capital brought down the rate of interest. The fact, however, is, that for some years past, the interest in England, and the charges for effecting loans, would make the rate as high as the value of money here, consequently we cannot borrow to any great extent. It is, however, just as advantageous for this country to borrow money in England, if it can be had cheaper than at home, as it is for Ohio to borrow of New York, when she can do so on better terms than of her own citizens. If the effect of this introduction of new capital was to create habits of idleness, and lessen the stimulus to industry, then the result would be injurious, as it might diminish the accumulation of wealth; but on the other hand, if the effect is to put in motion labour—to make public improvements—extend trades, manufactures, and agriculture—then the result would be beneficial, and increase the accumulation of capital; and such, in a country like this, where there is so much industry and intelligence, is the tendency of creating debts abroad, and thus adding to our own resources. But whether the effect of such operations be injurious or beneficial to those who make them, it is no concern of Congress, or any other public body, any more than the negotiations of individuals, with our banking institutions, or the lawful operations of a farmer, a mechanic, or a navigator.

3d. The most usual and most imposing method, however, which has been adopted to prove the balance of trade, is by a reference to the Custom House exports and imports. If on examining the trade with any particular country, the exports are found to exceed the imports, it is said to be profitable, and on the other hand, if the imports

exceed the exports, it is called a losing trade, and the balance is considered to be against the country. Thus, if we export to Great Britain \$40,000,000 a year, and import \$50,000,000, *we lose* \$10,000,000, *and it is a ruinous year*, while an import of \$30,000,000 against an export of \$40,000,000 *is a profitable result*, or a balance of trade in our favour. Now the most natural inference of an excess of imports over exports is, that the trade is profitable; as in the case of a merchant who on exporting a cargo of \$100,000 receives in return \$120,000, we should imagine there was a gain of \$20,000; but this would not necessarily be the case, because his homeward investment might have been made up from other sources, than the avails of his outward adventure. So if we import \$50,000,000 from England against \$40,000,000 export, \$10,000,000 of the import may have been transferred from some other quarter, in which case there would be no gain or loss; but if we imagine \$15,000,000 had been transferred from other quarters, to make up the \$50,000,000 import, than there would be a loss of \$5,000,000. It requires very little reflection to see, that accounts made up without any reference to other circumstances beyond the amount of exports and imports, afford no evidence whatever of the balance of trade between one country and another. We may take the China trade, as illustrating in a remarkable manner, the incorrectness of this mode of ascertaining the balance of trade. A reference to the Custom House records, from the origin of this trade, might perhaps show an export of \$80,000,000 and returns to the amount of \$160,000,000; now according to the notions against which we are contending, this would exhibit a most disastrous result, a loss of \$80,000,000; but the more reasonable inference it affords, would be a profit of \$80,000,000, and yet that in fact, would not be true, for on inquiry it might be found that \$40,000,000 had been added to the \$80,000,000 shipped from hence, from funds furnished by indirect voyages to Europe, South America, the N. W. Coast, &c. &c. which would reduce the profits to \$40,000,000. That this commerce has been profitable no one can doubt, who is acquainted with the men who pursue it, and the fortunes they have acquired, yet there are no documents by which the most intelligent man engaged in it, can say exactly or even nearly to what extent, since the operations are so complicated, as to confound any attempt to separate the profits which belong to the China trade, from other branches connected with it, nor is it of any importance to ascertain that point, since those who are engaged in it find it lucrative, and when it ceases to be so to them, it will cease to be so to the country; and the merchants who carry it on, will discontinue it, without the interference or advice of politicians or legislators.

Although this branch of commerce, with others which are immediately connected with it, has probably added as much to our national wealth as any in which we have been engaged, except with Great Britain, yet owing to the erroneous notions of balance of trade, and

the prejudice against exporting specie, which is equally unfounded, it has always been assailed by the anti-commercial, non-importation party, as a most *ruinous and unpatriotic trade*, and would long since have been restricted or prohibited, had the principles we are now contending against, prevailed.

Although it is impossible then, from such evidence as may be within the reach of any one, to ascertain the profit or loss of particular branches of trade, yet all will agree, that taking a course of years together, the excess or diminution of imports as compared with exports, will afford some general notion, though not a very accurate one, of the results of the foreign trade of the country. The imports will generally be equal to the exports, with the freight and other charges, together with the ordinary profits of business, and if this sum exceeds the exports, the inference is, that the foreign trade of the country is profitable; but our opponents would from this fact draw the opposite conclusion, and affirm *the balance of trade is against us*. This conclusion is now, by all practical men, admitted to be so erroneous, and so much at war with common sense, that the partisans of this obsolete doctrine are obliged to sustain it, as we have already shown they do most of the leading positions on which their cause rests, by assumptions, which they have not proved.

They affirm, that in order to make up the excess of importations, we are obliged to send abroad "all our gold and a great part of our silver," and "a very large amount of our public and private securities," and thus *the country is mortgaged for their payment*. That we may not be accused of exaggeration, we will let them state their own case. "It may be a matter of surprise," say the Pennsylvania Society, "to many unacquainted with the subject, how our immense importations have been paid for. To this we answer, that a very large amount of our public securities has been remitted abroad for that purpose, and thus *the country mortgaged for their payment*." From Mr. Lawrence's Speech, we extract the following:—"How did we pay for this immense import? As far as we could by our Southern staples; for the balance, we have pledged our national stocks to Great Britain, and *all our gold and a great part of our silver*, has been carried to England to pay for British manufactures."

Now what are the facts? On turning to the export of gold for 1825, (which is the first year a separate return has been made for that article, distinct from silver) we find the whole amount exported to be only \$315,672, and our import \$529,277. *To Great Britain not one ounce of gold was sent, but we imported from there \$2,772*. The whole export of gold for 1826 was \$450,203, and the import \$116,194. Of the export of gold \$17,271 went to Great Britain, and \$4,360 was imported from Great Britain. The remainder of the gold for 1825 and 1826, went principally to Cuba and other Spanish countries, and was chiefly in doubloons, that being the coin which will make the most profitable remittance. The

amount of silver exported to Great Britain in 1825 and 1826 was \$858,528, and amount imported \$199,954. The export of gold and silver to Great Britain in 1823 and 1824, amounted to \$677,744, and the import to \$441,149. How does this statement compare with the assertions of our opponents, who say, that "all our gold and greater part of our silver, has been carried to England to pay for British manufactures." And what if it was true, that all our importations were paid for in gold and silver? It would be no evidence that the trade was not profitable. It would only show, *that those articles of merchandise*, like cotton and tobacco, were worth more in England than here. Our imports from Java, Sumatra, Bengal, &c. are paid for in silver, but is there any one in this community so unenlightened as to say those branches of commerce are not profitable? We are surprised to find practical men falling into such errors of fact and reasoning. But an exaggerated statement of the exportation of specie to England, has been one of the methods adopted by our opponents to excite a prejudice against our trade with a country, which by the produce she takes from us, *employs twenty times at least the domestic labour and capital that the woollen manufactures do*, and without imposing a heavy taxation on the nation. But it is a commerce which stands in the way of the woollen manufacturers, and it must be destroyed. It appears by the Custom House returns, we send more than thirty times the gold to Cuba and South America, that we do to Great Britain, but we hear no complaints from the advocates of the "American System," against this commerce. *There are no woollen manufacturers in that quarter, to ruin the inhabitants of this country, with their cheap fabrics.*

Let us now examine the other assertion, as to the remittance of public securities, in payment for imports. It is only since the "American System" originated, that this objection to our trade with England was started. In the first place, the national debt, which constitutes the principal item, was much of it contracted during our Revolution, by Government, and has since been increased by various negotiations; for instance, the purchase of Louisiana and Florida, for a large portion of which, the government has received the value here in territory. The stock, therefore, issued for such debts, must not be set down as remittances for the purchases of goods, and as a part of the mercantile debt. In the next place, our public debt abroad, instead of increasing, as our opponents would have it inferred, is constantly diminishing. It appears from official documents, that in 1803, there was due to foreigners, of funded debt of the United States, \$32,119,210. On the 1st January, 1818, it had been reduced to \$25,444,049. On the 1st October, 1826, it was \$21,520,695, and is at this time something less than \$20,000,000. It would seem, then, that so far as regards the national securities, we have been paying debts, instead of contracting them; and how has this been done, but by remittances of merchandise? It should be

observed, also, that of the \$20,000,000 due in Europe, a portion is owned by American citizens who are residing abroad. It is within the knowledge of this committee that near \$1,000,000 is the property of some citizens of Philadelphia. There are, however, as our opponents truly assert, other stocks which have been sent abroad as remittances to purchase goods. They consist chiefly of U. S. Bank Stocks, New York Canal Loans, and the stocks of some of the banks in New York city. The committee have made inquiries in various quarters, but cannot obtain any precise information as to their amount, but we have reason to believe it does not exceed \$8,000,000. Of the (private) individual debts, such as will ever be paid, we do not believe the amount can be large, because there can be no inducement to borrow. We think they can hardly exceed the balances which are usually due to our merchants from bankers and commission agents; but let us however admit that they may amount to \$2,000,000 and the other stocks to \$10,000,000 instead of \$8,000,000, making \$12,000,000. Now this is nothing near the amount of public debt which has been paid abroad since the establishment of our government. This estimate, which we believe rather an under-statement of our own case, shows how entirely groundless are the declarations of the non-importation party, that immense sums in public securities are sent abroad, and that we are *mortgaging the country in payment for British goods*.

Let us now turn to the other side of the account, and examine the balance in our favour. The committee have no means of ascertaining for the whole period of time, since the adoption of the constitution, the excess of imports over exports.

They find, however, in Pitkin, that from 1795 to 1801, seven years, the average was over \$14,000,000. From that period down to 1812, they might have been greater; and since then, less—but it would probably be within bounds to call the whole \$400,000,000, which may be considered the national gain, *on the mere transport of our export produce*. We admit that this is not a very accurate method of estimating this result, but it is sufficiently so, to show how entirely the notion entertained by our opponents of the balance of trade being against us, can be refuted upon their own principles, taking the facts as they really are, and not their incorrect assumptions.

But the view we have given of the balance of trade, affords a very limited and inadequate idea of the benefits of foreign commerce. It is only one item in the account, to which must be added the profits on the returns of our exports, and the advantages which the agriculturist, the mechanic, the labourer, the capitalist, the navigator, the merchant, as well as the citizens at large, derive from the production and transportation of this immense amount of property, shipped to foreign countries. Of the pecuniary amount, it is so blended with other interests, that it is impossible to form any estimate, but one must be blind not to see its results, in the various improvements of

all the great branches of industry connected with, and dependant on trade—in the erection of towns and cities—the establishment of monied corporations, and the general comfort and prosperity of the mercantile classes—and the many other forms in which wealth displays itself, not the least imposing of which, are those extensive manufacturing establishments, which are mostly founded on the gains of foreign commerce.

It is true, that the quantity exported of many of the great staples of the country, flour for instance, compared with the consumption, is small, but the means of disposing of this excess, has a very important bearing on the condition of the farmer, as in years of abundance, without a foreign outlet, the prices would be ruinously low, and such as to hold out no encouragement to his industry. An export of 500,000 to 1,000,000 barrels of flour, raises the value of the whole crop of 12,000,000 barrels, or whatever may be our annual production of that article, 25 or 50 per cent. and without imposing any tax upon the nation. Now the inevitable effect of the non-importation system, *is a non-exportation of our produce*, since foreign nations on whom we now depend for custom, *cannot buy of us, if we refuse their produce and manufactures*, which is all they can give us in payment. All classes must suffer by the prohibitory system, *but the evils of it will press with most severity upon the agriculturists*. The truth is, and it must be obvious to every reflecting mind, *that there is no such thing as a balance of trade against one nation, in its dealings with another*. The supposition involves a manifest absurdity. Commerce is not a game by which one party loses what the other party wins; many individuals engaged in it may suffer, and others may be ruined, but as a class, the merchants and traders will gain, as will the nation which they represent. The balance is in favour of every country. Mutual wants and mutual benefits, constitute the very essence of commerce, and when it ceases to have that character, it must cease to exist. Foreign trade like the home trade, from which it differs only in extent, *not in its effects*, is advantageous to every country when left to itself; and it is only when forced out of its natural channels by legislative bounties and restraints, that it ceases to be otherwise. The balance of trade may truly be said to be against a nation, which imposes such restrictions as to lessen or destroy that trade it affects to promote; and of this we have a striking instance in the woollens duty, which levies on the nation a tax of \$23,940,000 a year, without even (if we credit the statements which are published) saving those from ruin, in whose favour it is established.

SECTION 14th. The premium paid for bills on England, and remittances of specie, and public securities abroad, to pay for our importations from England, are sources of dissatisfaction to the opponents of free trade, and held to be certain indications of the evils of foreign commerce. "In the mean time," says Mr. Clay in one of his speeches, "there will be an export of the precious metals, to the

deep injury of internal trade—an unfavourable state of exchange—an export of public securities—a resort to credit, debt, mortgages.” Mr. Niles and others, call the exchange on England 10 per cent. against us, and they consider the premium paid on bills as so much lost to the nation. The nominal rate is at this moment 11 per cent., but 10 per cent. is perhaps the average rate for three years past. This nominal advance of 10 per cent. is made up principally by the difference between the estimate of silver here and in England. We put a higher value on it than they do in England, as compared with gold, which is their only standard of value. With us, the standard of value, is both gold and silver, but as our estimate of the former in relation to the latter, is lower than it is in Great Britain and some other countries, the gold is sent abroad as an article of merchandise, while the silver remains at home, to such an extent as is required for our circulating medium. If our standard of value was regulated exactly to that of the English, or if gold and silver bore the same relation to each other here, as they do in countries to which we send gold, then we should retain at home gold as well as silver, but while there is the difference which now exists, the gold from our mint would all be exported, or nearly all, if we coined ten times the amount we now do. On the other hand, there are some countries, particularly most parts of Asia, where the estimate of silver as compared with gold, is higher than it is here, and to those nations we send silver. The price of silver in England, like other merchandise, fluctuates, though not to the same extent; at the last quotation it was worth 4 shillings, 9 and 3 farthings an ounce for Spanish dollars, making a dollar worth 92* 47-100ths. as compared with 100 here, or a difference of 7 1-2 per cent.

The true par of exchange then upon London, is 7 1-2 per cent. advance, on our silver currency. In other words, our silver currency with which we purchase bills on England, is a depreciated one, compared with the English, of 7 1-2 per cent. A bill-holder then, who sells at 10 per cent. premium, gets an advance, or a premium of 2 1-2 per cent., which is rather less than it would cost to transmit dollars at this moment.

The premium for bills on Hamburg and Holland, from whence we import few goods, is also from 2 to 3 per cent., and on France the same. But if we suppose *the real advance on bills to be 10 per cent.*, it would afford no evidence that the foreign trade was unprofitable; *nor is the premium any loss to the nation, since what is paid for the bills goes to augment the proceeds of the shipments, against which they are drawn, making it a mere transfer from one citizen to another.*

* We have taken the Spanish dollar at the legal value, but as an article of merchandise it fluctuates according to the demand for exportation and other purposes. It has within ten years borne a premium of 8 or 9 per cent., but for some years past, it has varied from 1-2 per cent. to 3 per cent.

Public stocks, and money securities, whether public or private, are sent abroad for sale, or as pledges for loans of money. In the first case, they may be considered as articles of merchandise, and are sent backwards and forwards as they happen to fluctuate in value, in this country or in England, to which they are chiefly sent, on account of the greater value they bear in that country than in any other.

When loans are effected on them, they serve a useful purpose, by introducing capital on better terms than it can be hired at home, and instead of showing the unprofitableness of trade, it is a sign of its activity, and that we enjoy a high credit abroad, and are disposed to profit by it. It is surprising that politicians and woollen manufacturers should give themselves any uneasiness about a business, which, like all such transactions, may be safely trusted to the management of the individuals who are engaged in these operations, and who probably understand their own concerns better than legislators who undertake to direct or controul them. We agree, however, that it would be full as wise and just in Congress to legislate against sending abroad public securities, as it is to legislate in favour of the manufacture of woollens. These are all matters which should be left to individuals (free from governmental restrictions or bounties) who in pursuing their own interests, best promote those of the nation.

The idea that a free and constant exportation of specie is disadvantageous to a nation, is one of those illusions which has so often been exposed, and so entirely abandoned by men of common intelligence, that we should pass it without any further notice than it has already received, but for the frequency with which it is still alluded to, by members of Congress, members of Woollens Conventions, and writers of all descriptions, on the side of our opponents, and some of them, too, men whose opinions are entitled to respect. "The trade with China and East Indies," says Seybert, "has been uniformly disadvantageous; and the more so, because our purchases are made almost entirely with specie." Mr. Carey and others speak of the "uncontrouled importation of foreign goods, as *draining us of our circulating medium*." We have already quoted from Mr. Clay's and Mr. Lawrence's speeches, passages implying the same opinions. The object in sending gold to England, is the same as sending cotton and tobacco, *because it is more valuable there than here*. It is sent to Cuba and other countries for the same reason, while on the other hand, we are continually receiving both silver and gold from other countries where they are less valuable than here. We exported in 1826, of bullion and specie, \$4,098,678, while our import amounted to \$6,880,966. In 1825, our export of the precious metals amounted to \$8,797,055, and the import to \$6,150,825. In 1824, the export of gold and silver amounted to \$7,014,552, and the import to \$8,379,855. Thus the import and export trade of specie fluctuates like all other branches of commerce, and it is as much an article of merchandise

as coffee or sugar, and as appears to us, it is quite as unnecessary, and as unwise in the legislature to concern themselves about the one, as the other. The merchant, whose business it is to watch the markets, will, for his own interest, import specie when it is wanted, and when it accumulates beyond the wants of the country, he will export it. The comparative scarcity of gold, as we have before remarked, arises from our putting a lower value on it in proportion to silver, than most nations do, with whom we have commercial dealings, and as long as that is the case, it will continue to be shipped abroad, and the circulating medium, supplied almost entirely with silver, as the cheapest of the two metals. If there was any other money more over-valued than the Spanish dollar, we should see that coin disappear, and its place occupied with the currency still more depreciated. Where then, we would ask, is the loss or inconvenience to the nation from a free exportation of the precious metals? The only use we have for them, is a circulating medium, and as a material for manufactures, and any superfluity beyond what is required for those purposes, can be of no more use or benefit to have retained at home, than an excess of tobacco or cotton.

So far then is the export of specie from being prejudicial, *that it is advantageous to a country*. Suppose it had been possible to devise any laws, which could have had the effect of retaining in the country the 150 or 200,000,000 dollars in specie, which have been imported for the last 30 years; of what use (beyond the ordinary wants of the country) would it have been to the nation? No more than the hoard of a miser, buried a thousand feet under the earth! It would have been just so much capital withdrawn from a useful circulation. The advocates of the opinions we are opposing, appear to us to have mistaken *an effect for a cause*. The abundance of specie in a country, *is one of the signs of wealth*; but it is not the cause of it. Our opponents treat this subject as if a country was rich in proportion to the quantity of the precious metals it possessed. Gold and silver are wealth, but not more so than flour, lead, cotton, or any thing else, which has an exchangeable value.

The specie we may have in our country, is, then, but the consequence of our prosperity, *not the cause of it*. If not a particle of silver or gold had ever been seen on this continent, we should still have been prosperous and wealthy. There might have been great inconvenience, and some loss, for the want of such a convenient standard of value, but we should have found substitutes, as indeed we now do in paper, which forms nearly the whole of our circulating medium. We do not mean to underrate the advantages of silver and gold, as they unquestionably perform a very useful office, in regulating our currency, but we contend that every dollar which is retained at home, beyond what is wanted to keep our currency in a sound state, is just as much loss to the nation, as it would be to an individual to deposit those dollars in his chest, which could be safely loaned on interest.

But is not the country liable to suffer from a scarcity of silver and gold? No, not more so than from a scarcity of coffee or sugars, and when that difficulty occurs, we shall be relieved by importations, as we are in case of all other articles. Nothing is so easily transferred from one country to another as specie. There is much less danger to be apprehended from an over-export of specie than of iron, and still more *corn*, as they are both necessities of life, (without which we cannot well do,) and a scarcity of the latter would be far more distressing, especially to those who could least bear the ill consequences of want of cheap food. There are substitutes for coin, *but none for iron and bread.*

Now, none of the advocates of the "American System" discover any anxiety to stop the exportation of those necessary productions, those staples of life. Why then do they concern themselves about the exportation of silver and gold? But will not a free exportation of coin, derange and depreciate our paper currency? No; a depreciated paper currency will drive coin out of circulation, by creating an anxiety in the holders of the paper, to make an exchange; while on the other hand, the exportation of that specie has a tendency to restore a currency to a sound state, by checking those over-issues which depreciate the currency, by compelling banks to withdraw from circulation, those floods of paper money, *those facilities of trade*, as they are generally called, but too frequently, (from the manner in which many of our institutions are managed,) facilities to commercial gambling, extravagance, and ruin.

The deep injury to internal trade from the exportation of the precious metals alluded to by Mr. Clay, at the commencement of the section, must not be imputed in any degree to foreign commerce.

There has been no such effect experienced from it in this quarter, nor in any of the States from whence those exportations are chiefly made. The expulsion of specie from the Western States, which Mr. Clay may perhaps have had in view, was effected, we apprehend, wholly by "stop laws" and "relief acts," against which Mr. Clay, to his honour, always contended; and the want of specie in the inland States, had nothing to do with the export trade of specie from the Atlantic ports.

It was a legislative interference between debtor and creditor, by the enacting of laws, which compelled the latter to accept for his demand a depreciated paper, not convertible into money, at least, not into an equivalent for his demand; a printed rag, and sometimes a worthless one, instead of a silver dollar. Such measures will always banish specie, and every thing else which is valuable, if long continued. These laws were considered by such as chose to avail themselves of them, as a "*protecting system.*" They were founded on the same principles as what is called the "American System;" the only difference we can perceive, is, that in the former case, *there was a sacrifice of the rights of the few, for the benefit of the many,*

and in the latter, there is a *sacrifice of the rights of the many, for the benefit of the few.*

"Stop Laws," "Relief Systems," and "American Systems," all spring from the same causes, *an ignorance of, or a disregard to individual rights, and should all of them be equally resisted.*

Perhaps there is nothing which can more strongly show the futility of legislating upon trade, beyond what is really necessary for its safety and protection, than those legal restraints which have been frequently imposed with a view of retaining in a country an abundant supply of the precious metals. In the first place, it is not in the power of Kings, Congresses, or Parliaments, by any laws which they can contrive, to prevent their exportation. If there was a law, making it death to send it out of this country, the premium for smuggling would not exceed one per cent. In the next, the practical effect of such a law, if it could be enforced, would be to prevent specie from coming here, as it would be in the case of coffee and sugars, were those articles restricted to our consumption; and thus, instead of having that superabundance of all those commodities which we now have, there would often be a scarcity. These are truths familiar to the minds of practical men in general, and it is time they were so to those legislators, politicians, and manufacturers, who undertake to found new systems of commercial policy.

SECTION 15. We now proceed to the consideration of two other points, frequently urged by our opponents, in favour of the "American System," viz. The security of the home market against those interruptions to which our foreign trade is exposed. Again; the evils we are subjected to, from those irregularities and fluctuations of prices, which our export articles are liable to, in consequence of our dependance on foreign markets. Mr. Clay, in a speech upon the tariff in 1824, remarks, "the superiority of the home market results, first, from its steadiness and comparative certainty at all times; second, from its greater security; third, from the creation of reciprocal interests; and lastly, from an ultimate and not distant augmentation of consumption, and consequently comfort, from increased quantity, and reduced prices." These are great advantages, pointed out by Mr. Clay, as the results of the "American System," but to our apprehension, *the inevitable consequences will be directly the reverse of what he describes.* First; the great superiority of the home market on account of its security, is founded on that extraordinary assumption we have before noticed; that "the ordinary relations of the nations of the world, are those of war, or rumours of war." Now it appears from the statements of our opponents, which we have given in section 12th, that the greatest inconvenience we have suffered from the interruption of our supplies, "by this ordinary state of war," *since the "landing of our fathers,"* was the want, during the late war with Great Britain, of 6000 dollars

worth of blankets for the Indians, and they admit that the only obstacle which stood in the way of obtaining them, *was our own laws!!* If, however, there is any force in this objection to the foreign trade, it applies also to the intercourse which one half of the Union carries on with the other. It must be obvious to every one acquainted with the subject, that it would be as hazardous during a war with Great Britain for the New England and the Middle States to communicate with the Southern sections, as it would for either of the extremities of the Union to communicate with Europe. The premium and freight on goods shipped from Boston or New York to the Southern States generally, would average as high or higher than on goods shipped to those countries in Europe, with whom we might be at peace; and it would be easier and cheaper to send cotton from Charleston to Havre de Grace, than to Boston.

What then should we do with those immense cargoes of domestic produce and manufactures, for the consumption of which we must depend upon the South, or how should we procure from them the materials of which many of these fabrics are made? We are aware that some articles might be transported by inland conveyances, but the expense would be very great, and such as most of the staples of trade would not bear.

Where then is that security of the home trade, against those interruptions which the foreign trade is liable to? The argument, if it is worth any thing, goes to the expediency of limiting our transactions to those sections of the country with which we can communicate safely, in the event of war with England, the only nation, which in case of war with us, can show a flag on the ocean. Now this non-intercourse policy between the extremes of our own country, however much it might be approved of by some of those wild enthusiasts, (who having no interest in manufactures themselves, seem both ignorant and regardless of the ruin they may bring on others by their unenlightened and ill-directed zeal,) would not suit the interests of the New Englanders, who must depend mainly on the "plantation States," for the purchase of their manufactures; and much more than they do on us for the purchase of their staples, since they would find a market in foreign countries for all they can raise, and procure in exchange a supply of all their wants, on better terms than we now furnish them. We do not mean, however, to deny the general proposition, that the home trade is somewhat more secure from interruption than the foreign trade, nor to underrate the advantages of that security; but to show, that were we to act upon that principle, we ought to confine our trade within such a limited extent, as not to be affected by a war. *But war is not the "ordinary relation of the nations of the world,"* and when it does occur, such is the humane and enlightened policy of the age, that belligerent nations themselves are willing to give facilities to an intercourse with each other,

even when it might appear most important to restrain it. Have not our opponents themselves furnished a striking fact, in proof of what we advance in the case of the 6000 dollars worth of woollen blankets, for the want of which we were so much distressed? Did not our enemy, who came to our shores to distress and destroy us, and who must have been acquainted with the dangerous emergency to which we were driven, freely offer us all the supplies of which we were in want? Even Buonaparte, who is held up by Professor List,* and some others, as a patron of the anti-commercial and restrictive policy, and who certainly made some remarkable demonstrations in its favour, granted licences to carry wheat from his empire to Great Britain, when the latter was in danger of a famine. Not so much perhaps to indulge his benevolent feelings towards those islanders, as from a desire to fill his own treasury; well knowing, such is the nature of trade, that although he might withhold supplies, they could be obtained from other nations, and even from his own subjects, thus, besides failing to ruin his enemy, he would suffer the loss of so much revenue.

Could we, however, anticipate frequent wars with England, the only nation that can interfere with our trade, and were we certain she would depart from her accustomed wise policy of allowing a commercial intercourse to go on with her enemy, we should soon be in a condition (if commerce is not legislated out of existence by our "*protecting system*,") if not to dispute the supremacy of our rival on the ocean, at least to keep open sufficient channels of communication with the rest of the world, to save us from many of the evils incident to a war with her.

Second. With regard to the irregularity and unsteadiness of prices in consequence of our reliance on the foreign trade, referred to by

* The following are extracts of a series of letters upon "*cosmo-political economy*," by Professor List, introduced to the public with high commendations, by Mr. C. J. Ingersoll, one of the promoters of, and delegates to the Harrisburg Convention. "The object of the economy of mankind, or to express it more properly, of *cosmo-political economy*, is to secure to the whole human race, the greatest quantity of the *necessities* and comforts of life." Here is one of the definitions of "*cosmo-political economy*," by one of the most learned defenders of the "*American System*," and we shall now give the Professor's remarks upon one of the greatest advocates of the *restrictive system*, and who carried the principles into full operation. "I saw then in my native country, (Germany,) the admirable effects of what is called the *continental system*, and the destroying effects of the return of what they call trade, after the downfall of Napoleon." Again; "Napoleon would have been very willing to charge himself with the trouble of uniting the whole surface of the earth, and to procure to the human race the blessings of a general free intercourse, but the English, it seems, did not like the prospects of such a general happiness. So the Americans, I suppose, would never like to exchange their national independence and power for a general law of nations founded upon English power; they would not like the prospect. It seems, therefore, *cosmo-political institutions*, like those of free trade, are not yet ripe for being introduced into practice." Whether the "*cosmo-political institutions*," to which this ingenious writer alludes, are fully ripened or not, is beyond our understandings to judge, not knowing exactly what they are, but we apprehend that we have all seen enough of Napoleon's "*cosmo-political systems*," and "*continental systems*," not to desire a return of them, and we hope the time is not far distant, when the principles of the "*American System*" will be as well understood, and as justly estimated.

Mr. Clay, we quote from Mr. Niles, among other similar complaints, the following statement, to prove the existence of those evils. "To show the ruinous effects that follow trade with Great Britain, because of the *irregularity* in the markets of that country and our own, and which, by building up the "*American System*," we desire mainly to guard against—take these items :

In 1825, we imported British goods, to the value of	\$36,713,000.
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In 1826,	do.	do.	\$26,131,000.
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Difference,		\$10,582,000.
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In 1825, the cotton, tobacco, rice and indigo ex-			
ported to the United Kingdom, was valued at			\$33,042,000.

In 1826,	do.	do.	\$18,871,000.
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Difference,		\$14,171,000.
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Who can calculate the *distress and destruction*, caused to the planters of the south and manufacturers of the east, middle and west, and of the farmers who supply the latter with food and materials, because of such enormous fluctuations in the value or amount of articles exported or imported ?"

The "*irregularity*" in the imports, or falling off in 1826, is owing to a very natural cause—the operation of the heavy duties imposed on the staple fabrics of England by the Tariff of 1824. This will appear more evident by some statements we shall hereafter exhibit ; but we are entirely at a loss to comprehend how the "manufacturers of the east, &c." can be distressed by this diminution in the imports of foreign goods, of which they have heretofore made so many complaints. We apprehend then it must be the consumers, to whom Mr. Niles refers—this part of the distress must fall on them. The falling off in our exports to England was occasioned in part by the decrease of our imports, which of course must lessen the demand abroad for our products ; and partly by a great decline in the price of cotton. Now, without pretending to understand all the meanings which our opponents attach to their new invented terms, or being acquainted with all the powers of their new system, we cannot conceive how its complete establishment could have prevented the people in England from running mad upon cotton in 1825, and paying double prices for it ; nor do we perceive that the effect of those speculations can be considered a "*ruinous irregularity*" to this country, or a *source of distress to our planters*—nor if such were the case, in what way those evils could have been prevented by the "*American System*." Of the present crop of cotton, 1,000,000 bales, we could not consume more than 200,000 bales if we did not import a yard of cloth—the remaining 800,000 bales would go to Europe, and about a similar proportion of the crop of 1825 must have been disposed of in the

same way, and although Congress, according to the doctrines of our opponents, may regulate our own foreign trade in what way they please, it would be impossible for them to exercise the same powers in England, *so as to prevent that ruinous rise of price there*, which would of course affect the prices here in a like proportion. But we will imagine that under the full operation of the "American System" we should retain all our cotton at home, and that the planters should limit the cultivation to the home demand, would that prevent fluctuations of price? To prevent irregularity in price, the supply and demand must be equal. If our national legislators, who are called upon to direct us where we are to buy our woollens, and to compel us to pay double prices for them, *can regulate the produce and consumption of cotton to a single bale*, then regularity of prices may be maintained; but we think this would be difficult. They may, perhaps, under that power in the Constitution for "promoting the general welfare," prescribe the quantity of land which shall be planted; but will the product always be equal? Who can calculate the vicissitudes of the season, or who can guard against them?

Congress then, in order to carry out the principles of the "American System" to their utmost limits and perfection, will require something greater than even the *constructive powers of our constitution—the power of controlling the operations of nature and the wants of man*, and without which, their efforts to regulate prices, will be as futile and preposterous, as their attempts to regulate the manufacture of woollens or any other of the great branches of industry. So far, however, from its being the tendency of a limited and restricted market, to produce regularity of prices, that the very reverse of it has been found, by experience, to be the fact. Restraints upon importation or exportation *are always productive of uncertainty and fluctuation in prices*; and perhaps there is nothing which places this truth in a stronger light, than the operation of the British Corn Laws.

The supplying of the inhabitants of Great Britain with grain of all descriptions, is guarantied to the landholders of that country, by laws and regulations, founded on the broadest principles of the "American System," so as to exclude the import of foreign grain entirely, except in seasons of extreme scarcity; yet so far is the monopoly from having the effect of keeping prices steady, that they have varied extremely even within the compass of the year, and from one season to another, the fluctuations have been from 40 to 50 per cent., and if we extend the period still further, the variations have been greater than in any other article of merchandise in the history of commerce.

On reference to the Parliamentary returns for the last fifteen years, we find wheat has been from 43s. 3d. to 122s. 8d. per quarter; rye, from 75s. 11d. down to 20s. 3d.; barley, from 21s. 3d. up to 64s., and other sorts nearly in the same proportion; and these sudden and enormous fluctuations, are justly considered by the nation, as among

the most pernicious consequences of this restrictive system, and as adding one, to many other strong reasons, for its abandonment. Had the trade in corn been an open one, the fluctuations would have been less frequent, and less in extent, because the prices would then have been governed by the average rates of grain in this country and on the continent of Europe. So far then, is the "American System" from holding out any prospect of steady prices, that if it ever does get into full operation, we shall see the same effects resulting from it, as the British Corn Laws have produced. The object of the "American System," as avowed by the Pennsylvania Convention and its other most influential supporters, is "to countervail foreign manufactures in favour of all such as can be made at home. *We except none;*" or, as Mr. Everett expresses it, "to enable each article as manufactured at home, to sustain a competition with the same article as imported." What Mr. Everett really means by such rates as will enable our manufacturers to sustain a competition, we can all understand by his voting for a Tariff, giving 38 to 139 per cent., and promoting the views of a Convention, which has declared it is not satisfied with those *discouraging rates*, and that they must be raised 57 1-2 to 281 per cent. "We want," says Mr. Lawrence, "protection, it matters not whether it was 50 or 150 per cent., *so long as it was protection.*"

It may perhaps appear, to many of our readers, superfluous to call their attention to this point so often, but we have done so because our opponents are constantly disclaiming in their papers and speeches, any intention of *prohibiting* foreign goods. If there is, however, any difference in the effects of laws passed avowedly against the importation of foreign goods, and laws which impose such duties, *as will prevent their importation*, we should be glad to see it pointed out by some of the defenders of the "American System."

If we are to take the explanations of the views of our opponents, from Mr. Niles, Mr. Everett, Mr. Carey, and Mr. Lawrence, all of whom were chosen delegates of that Convention, which was assembled to regulate the manufacturing concerns of the nation, and to carry into complete operation the principles we are opposing, then it is in vain to deny that it is the intention of their party to shut out every foreign article which can be made at home; and this, having once been accomplished, the system will be—must be—extended to every production of the country, which the producer may fancy stands in need of protection. Having then arrived at this point, no nation can buy of us what we have to sell, *because they can have nothing to pay which we shall be allowed to receive in return*, and thus we shall have no foreign markets for our surplus productions. What then will be the condition of the agriculturist who depends for his thrift and even for his support, on the value of his surplus produce? Every one, having the slightest acquaintance with commerce, must be satisfied that the most trifling excess, if we have no vent for it abroad,

will materially affect the value of the whole crop, while in years of great abundance, prices will be so ruinously low, that the farmer will not only lose the fruits of his industry, *but may find even the bounty of Providence a burden to him.* On the other hand, should the crops fall ever so little below the ordinary wants of the country, prices of the necessaries and comforts of life, will be oppressively enhanced to the consumers, without affording a relief to the farmer, since in years of scarcity he can have little to sell. A free export trade then, which we cannot have, however, without a free import trade, *prevents those irregularities in prices, occasioned by the restrictive policy,* and serves to maintain them on that level and moderate footing, which is in the end, most advantageous to all parties. We entreat the farmers—the honest yeomanry of the country—to look well to the principles of the “American System;” *to examine into its consequences for themselves, and not be deluded by the statements of our opponents, which we have proved in so many instances wholly unworthy of confidence; for whatever view we take of the effects of the non-importation policy, the cultivators of the soil cannot fail of being the greatest sufferers.*

As a continuance of the Corn Laws is constantly alluded to by our opponents, as not only a proof of the wisdom of the policy they recommend, but as an evidence that Great Britain still upholds the principles of the prohibitory system, we will show, in a few words, the tax which that monopoly imposes upon the British nation, according to the views of the most intelligent writer* upon that question in England. The consumption of grain of all sorts, for the United Kingdom, is estimated at 48,000,000 quarters per annum. Now it has been ascertained by an accurate comparison of the prices of grain in England with those on the continent of Europe and America, for the last ten years, that had the British ports been open under a duty of 5 shillings a quarter, the average price of grain in the Kingdom would have been reduced 8 shillings a quarter, below what it has actually sold for, during the period we have stated. That is, the consumers would have saved 8 shillings a quarter on 48,000,000 quarters grain, or 19,200,000 pound sterling, equal at the present exchange to near \$94,000,000, which for the whole ten years amounts to \$940,000,000. Of this immense sum, about one quarter is considered, by some persons, as a real benefit to the landlords, who own the soil. The other three quarters are entirely sunk by the increased expenses attending the management of the bad soils, which are forced into cultivation by this enormous bounty on grain. The farmers who hire the land, and the labourers who work upon it, cannot benefit by this monopoly, since the rent is advanced in proportion to the enhanced value of the produce; in that respect they are in the situation of the workmen and labourers in our manufacturing establishments. Tariffs and monopolies cannot help them, since their

* Mr. McCulloch, Professor of Political Economy, London University.

wages are regulated by the average rates of other labour, which they must have, whether their employers make or lose. Thus if we suppose that of the 100,000 persons now employed in the woollen manufactures, 95,000 are workmen on mere wages, and 5,000 are proprietors, the last are the only ones who have an interest in promoting the "American System." The 95,000 gain a support, and it would no doubt be a source of inconvenience and loss to them to be turned away from their accustomed occupation; but three quarters succeeded very well under the 5 per cent. duty, and the others would not long be idle for want of employment. What then is the effect of the corn monopoly in England? It lessens in ten years the accumulation of national wealth \$705,000,000, without giving any more employment to domestic labour and capital than would have found occupation, had the trade been open and corn freely admitted; on the contrary, the fund on which labour must depend for support being lessened \$705,000,000, the effect of the corn laws has been to diminish the demand for labour. Had the ports been open, there would have been fewer labourers engaged in agriculture, but there would have been more than a corresponding increase in the numbers employed in manufacturing, to supply *the increased demand for British fabrics, which the import of corn would have occasioned, and also from the increased means of the British consumers to pay for them.* It is evident that the land-holders are the only persons who can be benefitted by the corn monopoly, and it is contended by the most sensible writers, that they would save as much by the reduction of the poor rates, and other taxes which press heavily on them, and by their share of the general benefits, which would result from a more liberal system, as they now gain from a continuance of the corn laws.

Here then is another illustration of one of the injurious effects of the prohibitory system, on the welfare of a nation, and resembling in a pecuniary point of view, the burden imposed upon us by the woollens tax. The corn monopoly levies an annual tax on the British nation of \$94,000,000, one quarter of which, is supposed by those who take the most favourable view of it, to be gained by the land owners. The woollens duty, if we can import goods 38 per cent. cheaper than we can make them, (and it is contended by our opponents that we can do so 80 per cent. cheaper) imposes a tax of \$27,360,000 per annum, of which \$3,420,000 goes to the nation for revenue, being the amount of duty on what goods are imported, *and the residue, \$23,940,000, is so much bounty to the manufacturers,* without however, as is contended, affording them the ordinary profits of business, and is consequently just so much diminution of capital; and would amount in ten years to \$239,400,000.

The corn tax, at the first view, appears the most burdensome, but when it is considered that Great Britain has 22,000,000 people against our 12,000,000, and probably five or six times our wealth, our opponents may truly say, that although the "American System"

is not yet in full operation, we have already rivalled the English, (whose exploded principles we are now adopting,) in the worst feature their restrictive policy ever exhibited.

So far however are the Corn laws from finding any advocates in England, except among those who imagine themselves immediately benefited by them, that no statesman or writer of any reputation has for a long time been a supporter of the principles on which they are founded. The only tenable ground of their defence, urged even by the land-holders, is that from long existence, they have become so much a part of their system, as to affect rents, taxation, &c. &c. in such a way as to render their abolition an act of injustice towards them. There has not been, for many years past, much, if any, difference of opinion as to the impolicy of these restraints, though there has been a good deal as to the best method of getting rid of them, with the least injury to those in whose behalf they were enacted. The time has, however, at last arrived, when they can no longer be borne; and no considerations have prevented the present enlightened ministers, (whose ascendancy and continuance in power, turned entirely on their known hostility to commercial restrictions, as well as their attachment to the principles of civil and religious freedom,) from introducing such modifications of those laws, as will mitigate their worst effects; and, at no very distant day, there will no doubt be such further alterations made, as will render them entirely harmless. It is true, the act has not yet passed, but it is well known that the few individuals, through whose instrumentality it was defeated, now regret the course they took, and avow that they will hereafter give all their aid for its enactment.

But we are told by Mr. Clay, that "another result of the 'American System,' *will be the creation of reciprocal interests.*" We cannot perceive any such tendency in it. Who is there to share with the manufacturers in the advantages of these monopolies? or how, we would ask, can a course of measures, founded on the most narrow sectional views, and personal interests, adverse to those of the nation at large, be productive of such consequences? The more obvious, and as we apprehend, the inevitable effects of this policy, will be mutual disgust and mutual hatred between those who reap the benefits of the system, and those who are the victims of it. Again—according to Mr. Clay, we are to have "*ultimately*, an augmentation of comfort, and consequently, consumption, and reduced prices.

To compel the people of this country to pay double prices for many of the first necessities of life, and at the same time to lower the value of all our surplus produce, by disabling foreign nations from being its purchasers, is a novel and *extraordinary method of increasing consumption and comfort*, though it must be confessed, it is quite as reasonable a one as many of the expedients, recommended by our opponents, for promoting the general welfare.

To equalise the advantages of the "American System" to all

parts of the Union, Congress should grant bounties to all the other great branches of industry; for instance, a bounty of 20 cents a bushel on wheat, 20 dollars a hogshead on tobacco, and 3 cents a pound on cotton, the whole of which would not equal the woollens tax the nation now pays. There is not an argument advanced in favour of the claims of the woollen manufacturers, which could not be urged with much more reason in favour of similar demands on the part of the inhabitants of the "*plantation states*."

The manufacturers assert, that their goods have fallen since 1816, and their business is unprofitable. What, pray, is the condition of the tobacco planter, whose staple, except for the finer qualities, has fallen three-fourths in value, since the protecting system was established, and is now *hardly worth transporting to the coast*—or, of the cotton grower, whose produce has declined since 1816, from 30 to 9 cents a pound; while the expenses of cultivation, have not been lessened any thing near in the same proportion?

The woollen manufacturers employ 40,000,000 dollars capital, and the wool growers (who never have yet realized the benefits they anticipated from the woollen monopoly, and never will, we think,) employ 40,000,000 dollars more, three-fourths of which, as well of the manufacturing capital, be it always remembered, was profitably employed under a 5 per cent duty. If we grant, that they do employ 80,000,000 dollars, do not the wheat, tobacco, and cotton planters, employ twenty times as much? The manufacturers employ 100,000 labourers, we think it probable they do more than that number, *but not a man of them would have been idle, if the protecting system had never been established*. On the other hand, the cotton and tobacco planters employ 2,000,000 persons, many of whom could not subsist, *even if a check is given to the foreign demand for their staples*.

There is no principle of reciprocity in the "American System," whether we view it as bearing on our foreign or our domestic relations—certainly not, if we extend it beyond the few states which can profit by this sectional and personal policy. It will be injurious in its effects, to the planter of the South, and the farmer of the East, to the merchant, the mechanic, the seaman, and to all classes; but its evils will press most heavily *on those sections of the country,* and*

* "The burden occasioned by most of the particular duties recommended, would fall on all the community, *but chiefly on those least able to bear it*. In this country, the poor man personally consumes nearly as much tea, sugar, and coffee, as the rich; and though his clothing is not so fine, yet its cost constitutes a much greater proportion of his whole expenses. Besides, this new Tariff is so nicely adjusted as to lay a far heavier import on cottons and linens, than on those of finer texture." This is an extract from the memorial, referred to page 93, signed by 27 of our most intelligent citizens, one third of whom were manufacturers at the time they signed it, and a still larger portion at this moment. Woollens, which to the poor, *is the most important article next to bread*, then paid 29 per cent—the existing duty is 28 per cent—and the Harrisburg Tariff calls for 57 1-2 per cent on *fine goods*, up to 281 per cent on the coarsest—thus acting most fully upon the *practical doctrines* of our opponents, that the coarser the goods, the higher must be the duty. Again, from the same memorial—"But the *influence which has been*

that portion of the community who are the least prosperous. It will destroy our foreign, diminish our home trade, and finally unsettle the feelings and principles on which the prosperity, peace and union of these States, mainly depend.

SECTION 16th. The committee will now proceed to the examination of the notion which is often advanced, and may be still more frequently inferred from the publications of some of the most approved speakers and writers in favour of the non-importation policy, viz.: That the home market will not only furnish a demand for all the produce we might lose the sale of, in consequence of our refusal to take the produce and manufactures of foreign nations, but if due encouragement was given to our own domestic manufactures, we should have a market at home for all our surplus produce.

The better to establish this position, our opponents declare that foreign nations will not take our produce to any great extent, partly on account of their restrictive policy, and partly because the consumption of it has already "reached, *if not passed its maximum*;" and that consequently we ought no longer to look abroad for a sale of our constantly increasing productions.

We are told by Mr. Otis in his Convention speech—"Europe will take almost nothing which your soil produces. *Imports in the long run cannot exceed exports*, consequently the latter must decline first in value, by accumulation; then they will diminish in quantity;" and Mr. Lawrence, on the same occasion, remarked—"Those who opposed the great American System, said we wanted canals and railroads, and internal improvements. He agreed with them; he was in favour of a system of internal improvements. *The exports were not one fourth so much as in 1792*; 629,000 barrels of flour were imported into New England during the last year, most of which were consumed among us;* the whole export of bread north of the Potomac, was \$251. These were appalling facts, but they were notwithstanding susceptible of proof." We repeat the remark, that we pursue the plan on which we first commenced, of selecting statements and arguments from the most respectable of our opponents. We have already answered Mr. Otis' assertion "that Europe will take almost nothing which our soil produces," by proving from the Custom House reports, that in 1825, we exported of domestic produce \$66,944,745, of which, at least \$50,000,000 went to Europe, and the same year we exported \$32,590,643 foreign produce and manufactures, more beneficial to us than the former exports, because they

obtained by the zeal of private interest, admonishes us that those whose situation and experience enable them to judge of the operation of this new system, should exert themselves to diffuse such information, as may tend to make its consequences rightly and generally understood. Its avowed object is to direct and control the occupations of men, by granting special privileges to those engaged in particular pursuits."

* It is stated in the Address of the Harrisburg Convention of the importations of flour into Boston, which of course comprises part of the 629,000 barrels, 130,000 barrels were exported in 1825 and 1826, from Boston alone.

employed more labour in transporting backwards and forwards, and were at the same time purchased *in exchange for domestic productions*. Of the domestic productions exported, \$40,372,987 went to Great Britain and her colonies, of which \$35,043,466 to Great Britain. We beg the reader to keep this fact in mind relative to the large proportion of our exports to England, because this is a branch of commerce, which our opponents are endeavouring to prejudice the nation against, as injurious to our national welfare.

Whatever view we take of the trade with Great Britain, it will be found to be equal in value to two thirds of all the commerce which we carry on with the remaining parts of the whole world; but it will be impossible for us to retain but a small portion of what we now enjoy, if the system we are opposing should prevail.

But it may be deemed incorrect in us to found our reasonings on the exports from the United States in 1825, because it was one of speculation, and our produce was forced up, as we are told by Mr. Niles, to "*a ruinous irregularity of prices, for want of the American System.*" We will then take the year 1826, when there was a reaction which carried back many commodities below their ordinary value. Our export domestic products, amounted in 1826 to \$53,055,710, of which, \$25,842,299 went to Great Britain and her colonies, and of foreign articles, were shipped \$24,539,612, amounting in the whole to \$77,595,322. This statement proves how entirely unfounded are the complaints, made by our opponents, against Europeans, and more especially against Great Britain, for taking "*nothing almost which our soil produces.*" We affirm that every thing which Europe and Great Britain generally furnishes us with, *is paid for in the products of our domestic labour, and that we cannot have their produce or manufactures on any other terms.* As to the import of 629,000 barrels flour into New England, we have no means of inquiring into its correctness, we had supposed the quantity was larger, but it has little or no bearing on this subject. We have already shown that the increased consumption of flour, by the 25,000 persons taken from the agricultural employments and converted into woollen manufacturers by the system of high duties, cannot exceed 22,916 barrels for the whole of the United States, of which perhaps half may be in New England, as it is in this quarter, principally, where the woollen manufacturing business has been much extended since 1816.

We come now to Mr. Lawrence's assertion, that the whole export of bread north of the Potomac in 1826, was only \$251. Now as bread has never been a leading export from this country, we presume he means bread-stuffs.

There is no way of ascertaining exactly where all the bread-stuffs which we export are produced, though it is to be hoped, if these distinctions are to be kept up, that the Treasury Reports will hereafter specify more particularly than they do now.

In 1826, the amount of flour, Indian corn, rye, and other grains used for bread was \$5,288,129, of which, there can be no question, that the largest portion was raised north of the Potomac. The amount of bread was a little over one quarter of a million of dollars. The export of bread and bread-stuffs in 1825, was \$5,510,223. We are aware that New England herself furnishes a very small portion of the agricultural exports from the United States, because we are a manufacturing, navigating, and commercial people, and depend on importations from the southern and middle states, for our own consumption; but this is nothing new, and has nothing hardly to do with the "protecting system," as we pursued these occupations to almost the extent we now do, in proportion to our population, thirty or forty years ago; and in regard to the importation of flour from the southern states, we contend that if the Tariff of 1816 had never passed, we should have taken nearly or quite as many barrels as we actually imported, since our commercial capital would have been greater.*

The complaints made by New Englanders that Great Britain would not buy our bread-stuffs are absurd, since if she offered \$5 a barrel bounty, not a pound could go from any state north of the Hudson. But it is a miserable notion to entertain, that because we have no agricultural staples to export, we do not participate with the southern and middle states, in the advantages of their export trade, since it is the transportation and the proceeds of their produce, which is the main support of our commerce, navigation, fisheries, mechanic arts, and manufactures.

Again; we are told by Mr. Lawrence, that our exports are *not one fourth so much as in 1792*. This assertion is so much at variance with facts, (which must, we should think, be familiar to a gentleman so well known for his information and intelligence,) that we apprehended at first it must be a mistake, or refer to something else than the general exports of the country, but the declaration as it now stands, conveys no other idea than the one we attach to it. If it was a mistake, it should have been corrected. On turning to Pitkin, the committee find the whole exports for 1792 were \$20,715,098, (domestic and foreign,) there being at that time no separate return. In 1825 we exported \$99,535,388, and in 1826, \$77,595,322, which is, on the average, more than four times as much as in 1792. We lament to see such erroneous statements as these and others, which we have commented upon, circulated by men, in whose information and correctness the community place so much reliance; it is by such mistakes, that the delusion now existing with regard to the "*American System*," as it is termed, is supported.

We agree, however, with our opponents, that although our exports are still large, particularly when compared with those of 1792, yet

* Mr. Niles states, in one of his publications, that of the flour imported into New England during 1825 and 1826, 130,000 barrels were re-exported from Boston alone, and no doubt from the small ports a still larger proportion was re-exported.

when contrasted with a later period, they are otherwise. We find by the Custom House returns, that our exports from 1796 to 1811, excluding two years of embargo, averaged \$76,335,539. Our population within those periods of time, was 4,500,000 to 7,500,000, and we did not possess one third of the wealth we now do. Our exports for the last six years, excluding the speculative year of 1825, were on the average \$73,083,137. Now, taking our population at 12,000,000, and estimating our wealth at more than double what it was 25 years since, we ought at this time to export at least 120 to 130,000,000 dollars.

It will, however, be said, that many nations, for whom we acted as carriers, during the wars they were engaged in, now have shipping of their own. This is true in some degree, but not to the extent generally imagined. Some of those nations who forty years ago almost rivalled the English in their foreign trade, scarcely now show a flag upon the ocean. Holland has very little shipping, and the Baltic powers still less; while the Mediterranean states, some of which, especially the Greeks, formerly employed a considerable quantity of shipping, have entirely withdrawn from foreign commerce. Portugal has still considerable shipping, but it is diminishing; while the trade of Spain, except between Cuba and the mother country, is annihilated. France, of all the European nations, has, next to Great Britain, the greatest resources of all kinds, to make her a commercial nation, yet her foreign trade is very insignificant compared with England or with this country. It is stated in the Journal of Commerce, published in Paris; that for six months, ending 30th June, 1827, "there were 626 foreign vessels entered, of which 197 were from the United States, 37 from Hayti, and 219 from the French colonies. French vessels expedited, 391; of which 251 to French colonies, 30 to Hayti, and 8 to the United States." We cannot from such a statement ascertain exactly the extent of their shipping engaged in foreign trade, but it may be within bounds to say, that this account does not indicate so large a tonnage as is owned in Massachusetts, which amounted, according to the last returns, to 352,442 tons.

It would appear then, that the United States and Great Britain share, almost without a competitor, the foreign trade of the world, and in the contest between this country and Great Britain, every thing but their superiority of capital, is in our favour. That we navigate cheaper than they can, is evinced from their having almost entirely withdrawn from transporting our produce to their own markets. It will be seen, on reference to official documents, that of \$40,372,987 exported to Great Britain and her colonies in 1825, five-sixths went in American ships, and about the same proportion in 1826; while of the imports into the United States, amounting in 1825 to \$96,340,075, only \$4,437,563 was in foreign ships. Of the imports of 1826, amounting to \$84,974,477, \$4,196,357 was in foreign ships. It

must then be evident, to every one conversant with the subject, that our enjoying so large a portion of our own export and import trade, with the immense quantities of goods we transport for other nations, (while our ports are open to our commercial rivals on the same terms as to our own citizens,) affords conclusive evidence that we under-carry all other nations.

What then is the reason that both our tonnage and exports have decreased in amount the last fifteen years? Our average exports for the last six years, excluding 1825, are \$3,252,402 less than the average of 1796 to 1811, excluding two years of embargo. Our tonnage in 1810, was 1,428,728; in 1820, it amounted to 1,452,598 tons, and in 1826, to 1,423,111 tons. We answer, that the demand for our produce has been lessened by our prohibitory system, which, by excluding foreign manufactures and produce, has diminished the means of our customers to buy of us, and this has operated to reduce our tonnage. Had we continued to act upon the free trade system, which we found from 30 years' experience to be so beneficial, there is reason to believe that our exports would at this time have been from a quarter to a third more than they now are, and that our tonnage would have increased in the same proportion. Our opponents tell us in answer to these complaints, that we cannot, after all, prove much diminution of tonnage or exports for the last 15 or 20 years, and therefore the shipping and commercial interests must be prosperous. We reply, that in a country which has doubled its population, and more than doubled its wealth within twenty-five years, a branch of business which is stationary at best, *cannot be said to be prosperous*. They do not reason in this way in their own case. They complain of a want of encouragement to woollen manufactures, while they admit they have increased in ten years from 10 to 40,000,000 dollars.

The facts we state with regard to our commerce and navigation, are within the reach of every one, and cannot be disputed; it is therefore in vain for the advocates of the prohibitory policy to deny that its effects have already been extremely injurious to the navigating and commercial, as well as the agricultural interests. Are we not told by Mr. Otis, in his Convention speech, "that exports in the long run cannot exceed imports"? Nothing can be more true, and the converse of that proposition is equally so, *exports cannot long exceed imports*. If we refuse to receive from foreign nations what they have to exchange, *they cannot receive from us what we wish to dispose of*.

This is not a matter of choice with those who trade with us; our refusal to barter the produce of our soil, for such articles as they have to give, *will compel them to resort to those countries where such exchanges will be made*. The effect of this artificial system—this regulating trade by legislative restrictions and prohibitions, and in a manner frustrating the benevolent intentions of Providence, who has

given to nations various wants, and various means of satisfying them, by an interchange of those commodities which might be most suitable to the circumstances of each to supply, and thus by a useful dependence unite them together in the bonds of interest and friendship—is strongly illustrated by the existing state of the trade between France and England. A reference to the British official statement of exports and imports for 1825, shows an export from Great Britain to France of \$5,730,183, and an import from France to Great Britain, of \$8,844,509. We here have another remarkable result of the exclusive and prohibitory system, operating upon the commerce of the two most intelligent and wealthy nations of the old world, and placed within sight of each other. France has various commodities which England wants, while England has manufactures and colonial produce which would be equally desirable to France; but the latter country, hampered by that restrictive policy, which was established in those unenlightened ages, when it was thought *patriotic and beneficial*—finds itself compelled as it were, against the opinions of her wisest statesmen and economists, to decline the offers made by Great Britain, for the mutual abandonment of those restrictions which now operate so injuriously to the welfare of both. Could those nations place their commercial intercourse on that footing which each would desire, were they relieved from those impediments growing out of former laws, there would probably be an exchange, if we may judge from their riches, diversity of productions and vicinity, of at least ten times the amount of their present transactions, and both would experience an increase of happiness and wealth. We will now select an instance to show the effects of a more liberal and wise system.

In the same year we have referred to, the exports from Great Britain to the Netherlands, amounted to \$22,137,411, and the imports from thence into Great Britain, \$9,497,846. What a contrast does this comparison present! *The Netherlands with a population of about one-sixth of that of France, has double the trade with a nation whose commercial intercourse is more valuable than that of any other, because of her great consumption and wealth, which enables her to make those large exchanges of merchandise, which render trade beneficial.* We should think no statesman having the good of his country at heart, and who will examine into the effects of this prohibitory system, and compare them with the results of the opposite one, would ever become the advocate of the former; yet we are called upon by Mr. Otis to imitate the commercial policy of France, though reprobated by the most intelligent men in that country, theoretical and practical, *and apologised for by those who venture to uphold it, as a system forced upon the nation by the ignorance of their ancestors.*

We have remarked that one means resorted to by the supporters of the exclusive and non-importation policy, to bring the nation to

† their views, was to represent the foreign demand for our produce, as having already reached its *maximum*, and that it is unwise to depend on foreign nations for its consumption. We extract the following from a speech made by Mr. Clay, on a proposed alteration of the Tariff in 1820 :—" Nothing is more uncertain than the pursuits of agriculture, when we mainly rely on foreign markets for the sale of its surplus produce." We say nothing is more true than the reverse of this proposition. A country which depends on the home market for the sale of its surplus produce, will always be subject to great fluctuations and low prices, since there will be no vent for that surplus produce, which constitutes the income of a nation, *and the only preventive of those evils is a free trade.* Again observes Mr. Clay on the same occasion—" We had reached the *maximum of foreign demand*, for our three great staples, cotton, tobacco, flour, and no man will contend, that we should go on to produce more and more, to be sent to the glutted foreign markets, and consumed by devouring expenses, *to give employment to our tonnage* and foreign commerce. It would be extremely unwise to accommodate our industry to produce, not what was wanted abroad, *but cargoes for our unemployed ships.*" We cannot perceive that bad markets abroad, or low freights, afford any argument for the establishment of a system, which must injure branches of business, which Mr. Clay admits, are already too much depressed. But what has the legislator to do with glutted markets and unemployed ships? These are the private concerns of the merchant and the ship owner, and no more subjects for legislation than the common operations of the farmer or mechanic. The facts, however, adduced by Mr. Clay, to show the expediency of prohibitory duties, prove, beyond all doubt, that they are wholly unnecessary, even for the purposes of the manufacturers. If it is true that foreign markets are glutted with our staples, and we have reached the maximum of foreign demand for them, *then it is certain that we shall no longer have the means of importing foreign articles*, and the domestic manufacturers would be secure against all foreign competition without the aid of those bounties which they now demand.

As the demand for our staples had not however ceased at the time Mr. Clay was speaking, he must have had the future in view, but it seems to us unwise to legislate the nation out of a profitable trade, because it may be affected by events which no human mind can foresee. Why not rather legislate on past experience and our present condition? If statesmen and legislators are to be governed by their imaginations, instead of exercising a sound judgment, and will found systems on future possibilities, there is no end to the injuries we may sustain from their acts.

To suppose that the nations with whom we trade, will hereafter be stationary in population, wealth, and civilization, and consequently have no increasing wants to supply, is, to say the least, a most extravagant and irrational conjecture. Why not imagine what is much

more within the range of probability, that by some tremendous convulsion of nature, the Andes should be thrown into the ocean, and thus interrupt the communication we now have with Asia and South America? What then! Could we not have a canal across the isthmus of Darien, a North West passage, or a rail road to the Pacific? But what if all those projects failed, should we not be deprived of those facilities of conveyance which we now enjoy? Yes; it cannot be denied. But would it be wise in anticipation of such a change, to embarrass and destroy the valuable commerce we now carry on with those extensive regions?

Who can say what is now the maximum of consumption, and still less, what it will be hereafter? In 1820, the demand abroad for flour may have been limited, but a few weeks drought in South America, or three or four days bad weather in England at a critical period of their crops, would create a greater demand for bread-stuffs, than we can usually supply. But perhaps nothing can show in a more impressive manner the inexpediency of legislating on the future, than what has actually occurred since Mr. Clay's prediction in 1820, *"that our cotton had reached its maximum of foreign demand."* We have before us a statement of the crop ending 30th of Sept. 1820, making it 453,588 bales; and another for the year 1821, when the crop was 472,000 bales, each weighing perhaps on the average, 300 pounds. The exports from our cotton ports, the year ending 30th September last, are estimated at 970,000 bales, averaging 340 lbs. per bale, or 329,800,000 pounds, against 136,076,400 pounds, the crop of 1820. It is contended by our opponents, that part of this increased consumption, has been occasioned by the prohibitory system, which they are advocating; but it must be evident to every reflecting mind, that the effect of our high duties has not been to increase the consumption, since the same cotton worked up here, would have been manufactured in Europe, had we made fewer cloths. Indeed there would have been a greater quantity consumed, since had the duties remained at 15 per cent on foreign cotton goods, the consumption of cotton fabrics in the United States would have been still greater *than it has been, as they would have come cheaper to the consumers.* There can be no stronger evidence of this, than the fact of our having imported in 1825, 11,036,038 dollars worth of cotton goods, which paid 29 per cent. to 100 per cent. duties, averaging perhaps 45 per cent. We see, then, that this immensely important staple, which enriches the whole Union, more than any article we produce, instead of having reached its maximum of export demand in 1820, has risen from 136,076,400 to 329,800,000 pounds, and so far is there from being any want of sale, that the quantity on hand is not more than enough for our consumption till the new crop arrives; and although the stocks in Europe may at the end of the year be 30 or 40,000 bales more than the preceding one, still they will be less than they have been in some

former years, and probably not larger than the interests of trade require. It is said again by the supporters of the non-importation policy, that this extended cultivation, has brought down the price too low for the planter's support, and this we fear is too true, but the planter if such is the case, will be content to adopt the remedy, which men engaged in other branches of industry do, when the profits fall below the average rates—that is, he will turn his capital and labour to some other pursuits, and not call upon the Government *to exact an exorbitant sum from the nation, to enable him to prosecute a losing business.* So far however from appearances indicating a stationary demand for cotton in Europe, it appears that the ratio of increase is now equal to any former periods. Pitkin states the imports into France to have been 17,000,000 pounds in 1800, or about 50,000 bales; Great Britain imported the same year, 56,010,732 pounds, or about 180,000 bales. The consumption of France and Switzerland in 1825, was 230,000 bales, in 1826 it had extended to 280,000 bales, and may perhaps this year come up to 300,000 bales.

The consumption in Great Britain for 1815 and 1816, averaged 343,000 bales, and in 1820, 491,000 bales. In 1826, the consumption had reached 560,000 bales, while for 1827, down to 3d September, the sale in Liverpool alone had been 12,880 bales per week, which would give for the whole year, 669,760 bales, besides sales in London, Scotland, &c. We may therefore take the consumption at 690,000 bales, which is rather more than double what it was in 1815 and 1816, without any allowance for the increased weight of the bags. There is no way of ascertaining the consumption of the rest of Europe, but the entire consumption of all Europe, is estimated by intelligent men, at about 1,125,000 to 1,150,000 bales, excluding perhaps Turkey, which supplies her own consumption. At the commencement of this century, the consumption of Europe, did not exceed 300,000 bales. What has extended the consumption so rapidly? It is the very great reduction in the prices of cotton fabrics, caused by the decline in the material, improvements in machinery, increased skill in the workmen, together with an increase of population, and a vast accession to the means of the common people in Europe, since the general peace, of consuming freely all the necessaries and comforts of life.

The material is now so low, that any further decline cannot much affect the consumption of cotton cloths, but the other causes are still in active operation; new inventions for manufacturing will reduce goods still lower; population will increase, and it is to be hoped, and to be expected, that the condition of all classes of people will be improved, and consequently there will be an augmented demand for cotton manufactures, as being among the first necessaries of life. Let us look at the consumption of Great Britain, and we may draw some inferences from the result, of what would be consumed in other

countries, did they possess a population equally industrious and wealthy.

Mr. Huskisson stated in 1824, that "he had taken considerable pains to ascertain the real value with respect to home consumption, and he found that the cotton goods consumed at home within the last year, amounted to £32,000,000."

The official value of exports of cotton goods and yarn for 1824, was £30,154,436. From this statement one would infer that something over one half the material worked up in Great Britain was consumed there. The consumption in 1824, was 570,000 bales, and if we suppose the cloths consumed in England to be of the same qualities as those she exported, the quantity of cotton actually worked up for British consumption, would be 293,000 bales; but as the cloths exported were of heavier and coarser kinds than what were used in England, it may perhaps be nearer the truth, to estimate the consumption of the United Kingdom for 1824, at one half of the whole quantity manufactured, or 285,000 bales. We have before assumed the consumption for 1827, to be 690,000 bales, and we have founded our estimates upon the best sources of information, but we will reduce it to 670,000 bales, and allow one half, or 335,000 bales to be manufactured for British consumption.

As this country is the only one which has any thing like the same means of consuming freely of the comforts and superfluities of life, which the British nation enjoys, let us compare our consumption with hers.

The manufacturers differ in their estimates—some allowing 150,000 bales, and others 175,000 bales; if the latter sum is meant to include what is worked up in the interior of the cotton states, we apprehend it may be something near the truth, though rather an over-estimate. The population of Great Britain is 22,000,000, consuming 335,000 bales, and taking ours at 12,000,000, if we used the same proportion, it would give 181,818 bales, which is not far from what is allowed to be the actual consumption for 1827, which, however, we think is too large, because we still import about one sixth or seventh of our cotton fabrics. If then, we assume the consumption of cotton in Great Britain, at 335,000 bales, and taking her population to be one ninth part of Europe, and imagine that other countries had the same wants and equal means of satisfying them, which that nation enjoys, then the whole consumption of Europe, would at this moment, be 3,015,000 bales per annum.

But the demand for European cotton goods, extends to 25,000,000 of South Americans and Islanders, immediately dependant on Europe, besides an immense population in Asia, who take largely of British manufactured goods, and for which the demand is rapidly increasing. For this demand, we may add at least 500,000 bales to the 3,015,000, making 3,515,000, as the quantity of cotton which would now be manufactured, if the various nations we have referred to possessed the same means which the people of this country and

England do, of consuming cotton manufactures. We are far from supposing however, that there will for a long period to come, be the same diffusion of wealth in Europe generally, that there now is in England and in this country; but the whole world is unquestionably in a more prosperous condition than in any former age,* and may it not therefore be inferred, if the manufacture of cotton, has been nearly quadrupled since 1800, (during half of which period, the most civilized countries have been distressed and impoverished by wars) that the consumption will be *doubled* within 15 or 20 years? We are not unmindful how much uncertainty there is in such anticipations, but we appeal to all men familiar with the subject we are discussing, whether our estimate is not much within the limits of probability? Among the objects the committee had in going into this detail about cotton, one is, to suggest to all prudent and considerate men, the impolicy as regards the general welfare, and the injustice as respects the 2,000,000 persons who depend mainly on it for support, of establishing such restrictions on trade, as will in a great measure deprive us of our principal markets for this valuable staple. The committee had moreover a still more important end in view, which is, to show how dangerous it is to adopt the plans of statesmen, however highly endowed with knowledge and talents, who having once founded a system, at war with every principle of sound policy, and in opposition to the results of experience, as well as to the opinions of the wisest men of the age, are willing rather than abandon their schemes, to hazard the wildest conjectures as to the future, and to act upon them, that they may appear to have something on which to rest for their support. Had our opponents succeeded in 1820, in imposing the prohibitory system upon the country, we should of course have deprived the foreign consumers of cotton of the means of purchasing it from us, and compelled them to resort to those countries where it can be had in exchange for such articles of manufacture and produce, as constitute their only means of payment.

It must then be admitted, in justice to Mr. Clay's foresight, that although as events have turned out, his prediction has so lamentably failed, as to the extent of the foreign demand for cotton; yet had his views been adopted, and the principles of the "American System" been carried into full operation, *we should not only have reached, but receded from his maximum demand for cotton, and for all our other great staples of trade.* We are aware of the answer made by Mr. Clay, to our view of the case, which we give in substance from Mr. Webster's speech in 1824, on the Tariff—"Great Britain will buy cotton, where she can find it best and cheapest; and it would be quite ridiculous in her to do otherwise." This is sound doctrine, but it is not in accordance with the theories which have lately been adopted in this country. Mr. Clay is here again at variance with

* Many governments have been reformed, civilization has been extended, and both the wants of men and the means of satisfying them, have been increased and are increasing.

himself, and advances an opinion in utter contradiction to the general tenor of his former reasonings, and to the spirit of the system he upholds. The obvious effect of the "American System," as explained by Mr. Clay, and its other most able supporters, *is to compel this nation to buy goods where they cost highest.* Do we not now pay, according to the statements of our opponents, \$27,360,000 more for woollens than they can be imported for, and does not Mr. Clay and other supporters of the "American System," recommend that this tax should be doubled? We agree, however, fully with Mr. Clay, that it would be ridiculous in Great Britain to refuse to buy cotton, where it can be procured cheapest; but we answer, *that our cotton will no longer be the cheapest, if we refuse to receive from our customers, those articles which we have heretofore received for its payment,* and this applies equally to every other article, which we now find a sale for in Great Britain.* There is, however, another reme-

* The following is an extract of an able report "*of a committee of merchants and manufacturers of Boston,*" in 1824, upon certain alterations in the Tariff, more especially in the articles of cottons and woollens—Let the reader recollect that the duties on woollens were then 29 per cent—they are now 38 per cent, and the Harrisburg convention, recommend them to be raised to 57 1-2 per cent on fine goods, such as are used by the most wealthy, and from that rate up to 281 per cent on the inferior qualities. The duties on coarse cotton goods were also considerably lower than they now are, still the Harrisburg Convention, recommend an addition of 2 1-2 cents per yard, or about 15 or 20 per cent on all coloured and printed goods, which constituted \$4,024,344 out of \$5,601,961—the whole amount imported for consumption in 1826. "It appears from the last treasury report, that the exports of domestic produce, for the year ending 30th September, 1823, amounted to \$2,718,368 less than the exports of the preceding year. Your committee are not aware of any circumstance to which the diminution in the exports may be so fairly imputed, as to the prominent one, that the produce of the industry of other countries, offered in exchange for domestic produce, has been admitted only on such unequal terms, and subject to such excessive duties, as amount to a prohibition; for as commerce is but an exchange of equivalents, it is plain to your committee, that little or no trade can exist between places where one refuses to receive the only equivalent the other has to give."

"Happily in the present case, intelligent individuals of both the manufacturing and mercantile classes concur in the opinion, *that excessive duties, even on foreign articles, similar to those manufactured in the United States, would materially injure the latter class, as well as other classes connected with, and dependent upon them, without an equivalent benefit to the former.*"

"Inconsistent and injudicious as in the opinion of your committee, are most of the details of the bill before us, they are insignificant compared with the principle on which it is founded. This appears to be in substance—that in order to *bring into existence*, and to encourage certain branches of domestic industry, it is expedient to check or destroy certain other branches of that industry, or to embarrass, if not overturn long established occupations, for the sake of building up and extending new ones. But as national profit is but the aggregate of the profits of individuals, we cheerfully submit the question to every intelligent mind, whether it is possible for any government to be so well acquainted with the private concerns of individuals as to determine the direction of individual industry, and to decide which of the varied employments of domestic industry its citizens shall be compelled to choose."

This report was signed by the following gentlemen who composed the committee. Part of them were woollen and cotton manufacturers, and the majority of them are still very extensively concerned in one or both branches.

ISRAEL THORNDIKE,
ISAAC WINSLOW,
SAMUEL MAY,
JOHN TAPPAN,
GEORGE BOND,
AMOS LAWRENCE,

WILLIAM GODDARD,
HENRY WAINWRIGHT,
WILLIAM STURGIS,
JOSHUA BLAKE,
THOMAS P. CUSHING,
JOHN A. LOWELL.

dy pointed out by our opponents, for the loss of the foreign markets, viz: that our own country would afford "*an ample market*" for cotton and all our other great staples, were the principles of the "*American System*" once fully acted upon; and the examination of this assertion will be the subject of the next section of our report.

SECTION 17th. The object of the last section was to prove, how entirely groundless were the complaints of the advocates of the non-importation and non-exportation policy, against foreign nations, for refusing to take our principal staples, and thus as they declare, "having reached the maximum of foreign demand," we must henceforth look to our own consumption for our surplus productions.

Our intention now is, to examine an other assertion which they make, viz., that our own country will afford "*an ample market*" for our surplus produce, *if the principles of the "American System" are carried into full operation.*

The currency which such a monstrous misrepresentation appears to have obtained, among many intelligent men, who unquestionably have no interest in the schemes of the party we are opposing, or if they have any interests to promote, would be unwilling to impose unwise and unjust laws on the nation for their promotion—shews in a most striking light, the unaccountable inattention or indifference, which prevails in some parts of the country, as to the effects of the "*American System*," and the means which are resorted to, for its establishment.

In conformity to the plan on which we commenced, and that our readers may see that we do not mean to impute to our opponents, absurd opinions and incorrect statements, which cannot be found in their writings, we make such extracts from their most respectable publications, as will embrace the points which we are now to discuss.* From Mr. Niles we take the following:—"I have no doubt the time is nearly at hand, when every intelligent cotton planter, *will hail the Tariff as his last protection*, and receive it into favour, as the grain

* The committee have adhered to this plan through the whole of the report, but there is one writer on the side of our opponents, Professor List, held in great respect by them for the ability with which he has sustained their cause, and from whose essays, they have made fewer extracts than they otherwise should, because they would not undertake to answer, what they could not comprehend. To show their impartiality, however, they now present to their readers in addition to the extracts already given, one of the most argumentative and *lucid* passages in his letters. Although the committee themselves do not pretend to penetrate the meaning of this learned and profound economist, there are others perhaps, who may. It is possible the extract they are about to give, may bear on the very point they are now discussing, in which case, some of their readers may *share in that light, which our opponents say, he has thrown upon the "American System."* "As these theorists confounded *cosmopolitical principles*, with political principles, so they entirely misapprehend the object of political economy. This object is not to *gain matter in exchanging matter for matter*, as it is in individual and *cosmopolitical economy*, and particularly in the trade of a merchant. But it is to gain productive and political power, by restricting that exchange with other nations; or to *prevent the depression of productive and political power, by means of exchange.* They treat, therefore, principally of the effects of the *exchange of matter, instead of treating of productive power."*

grower has always entertained it, *because of the home market, able and willing to balance or regulate the foreign demand, and keep up the price of agricultural produce*—when without the encouragement to domestic industry they would have declined.” From Mr. Davis’ speech in Congress last winter, we make the following extract: “It can be *demonstrated*, that the population engaged in the manufacture of cotton and woollen goods, *consumes annually a greater amount of produce, than is sent to foreign markets*. The population is estimated at nearly 300,000, but suppose we take them at 230,000.”

From Mr. Tibbits’ address, we extract as follows: “Foreign commerce from causes already noticed, is incapable of providing markets for agricultural produce. We are to look for home markets; and those like every thing else may be improved, or may be made.” Again, from Mr. Niles—“But there is consolation in the greater cheapness of our bread-stuffs and meats, or of subsistence in the United States, with the moderate amount of taxes paid by our citizens, together with the fact, that spindles and power-looms, will do as much work in America as in Europe, *and will enable us to manufacture a large portion of our cotton, and meet England with our goods in any part of the world*.” The last we shall offer, is from a speech made by Mr. Stewart in Congress, last winter. We have referred several times before to this gentleman, as one of the most distinguished supporters of the “American System,” and remarkable, as has been observed by one of his followers, for his “*research and strength, in matters of fact*.” Our readers will find in some of the former sections, an examination of several of his “*strong facts*.” “The true policy,” says Mr. Stewart, “was to make New England, instead of Old England, the great theatre of our manufactures. They had the capital, and their population had become sufficiently dense to justify its employment in this way. We shall create in our own country, *an ample market* for the consumption of the cotton, and sugar of the south*, and the wool and flour of the middle and western states, which no longer found a market abroad.”

We have before observed, that great efforts have been made to persuade the growers of wheat and of wool, that they have already been very much benefitted by the prohibitory system, and that they will be still more so, *when it shall be carried to its utmost extent, so as to entirely exclude all such foreign articles as can be procured at*

* To shew how entirely the manufacturers themselves differ from legislators who undertake to regulate their interests, we give another extract from the Report referred to, page 93, signed by some of the most intelligent manufacturers in the country.

“The establishment of domestic manufactures would indeed create a demand at home for the materials of which they are composed, but at the same time would lessen the foreign demand to the same extent, because the nation which now supplies us, would cease to want that quantity of the raw material, which it converts into manufactures for our market. And, *besides, to increase the price of such manufactures tends to diminish their consumption*, and consequently the demand for them and their materials. It is the direct interest of the farmer that the raw materials, raised by him should be manufactured as cheaply as possible, in order to increase this consumption and demand.”

home. That is, when they shall pay double prices for some of the most important necessities of life, instead of the 25 to 60 or 70 per cent. additional rates, which are now imposed on them.

Mr. Davis contends that the cotton and woollen manufacturers alone, consume a greater amount of produce than is sent to foreign markets. Let us apply this to flour.

The numbers engaged in those branches, Mr. Davis puts at 230,000, though he thinks they may amount to nearly 300,000. The consumption of flour, for that number of persons, cannot exceed 300,000 barrels.

Now as three fourths of the woollen manufacturers were employed before the protecting system existed, and under a duty of 5 per cent., and probably half the cotton manufacturers, it reduces the number of consumers depending on the "American System," to 125,000 persons, but as we think Mr. Davis may have understated his own case, we call them 200,000, which would give the wheat-growers an additional demand for 200,000 barrels, at 5 dollars per barrel is 1,000,000 dollars *for the benefit of, perhaps, 3,000,000 persons, mainly dependant on that staple.*

The amount exported, of wheat, flour, and biscuit, in 1825, was 4,446,679 dollars, and in 1826, 4,411,870 dollars.

This is sufficient to show how utterly unfounded is the statement of Mr. Davis, for even though we should call the numbers 300,000, the amount consumed would only be, 1,500,000 dollars. The export of flour, wheat and biscuit, for 1823, amounted to 5,151,437 dollars, and for 1824, 5,977,255 dollars, and in a former year *to upwards of three times the amount of this latter sum*, and we may look forward to a still greater demand, in years of even moderate scarcity in Great Britain, when the contemplated modifications in their corn laws are made.

There is, however, another class of customers almost entirely dependant on foreign trade, who consume the flour of the middle states. We mean the cotton, tobacco, and rice-planters of the south, and the navigating, commercial, and mechanic interests of the north, east, and south, which we will take at 4,000,000 persons.

Here are consumers of 20,000,000 dollars worth of bread, many of whom will be driven to the cultivation of bread-stuffs, even if the existing Tariff of duties is maintained, *and a large proportion of them*, if the prohibitory system is extended any further. Our opponents argue the question as if the protecting system did not already prevail to a great extent,* but that is so far from being true, that we

* "We hear of the fatal policy of the tariff of 1816, and yet the law of 1816 was passed avowedly for the benefit of manufacturers, and, *with very few exceptions, imposed on imported articles very great additions of tax*; in some important instances, indeed, amounting to a prohibition." This was the character which Mr. Webster gave to the tariff of 1816. The existing one, imposes higher rates on the most important articles of consumption, and yet our opponents affect to consider Mr. Webster as advocating their "American System."

have reduced the importations of the principal staples of trade (manufactures we more particularly mean) to almost nothing.

It appears by the Custom House returns, that our imports of cotton and woollen goods for consumption for 1826, do not amount to more than one-ninth of all we consume. It is then true, beyond all question, that we have made great progress in the establishment of the "American System," and we would now appeal to the wheat-grower, *whether his staple is more valuable than from 1814 to 1817, or any other period, prior to the change in our policy, from free trade to that of restriction?* This is a question which every one of them can answer for himself. That they are not so well off as they were before the year 1816, is notorious, and it is equally certain that their condition will be much worse than it now is, at every advance we make towards that object which our opponents have in view.

We have still another question to put to the wheat-growers. What annual tax do they pay for the support of the "American System?" We contend, that if woollens can be imported 38 per cent. cheaper than they can be made at home, (and the manufacturers say they can 80 or even 120 per cent. cheaper) then the nation now pays an annual tax of \$23,940,000, and if we allow 3,000,000 for the wheat-growers, their portion of it is \$5,985,000. *This is the sum they pay on one single article.*

Let the wheat-growers, and all other agriculturists, keep this principle in mind, that if we buy, we must also sell, to provide the means of paying for what we buy. *If we import foreign goods, we must export domestic produce to pay for them;* in proportion, therefore, as we import more foreign goods, we shall create by the importation a new demand for agricultural produce.

The non-importation system, therefore, not only makes the consumers pay from 25 to 60 or 70 per cent. more for some of the leading articles of consumption, but diminishes the value of the whole produce of the farmer, by depriving him of a market for that surplus produce, on which his revenue mainly depends. *There is no class of people more interested in resisting the prohibitory or "American System," as it is improperly termed, than the farmers.**

* "It has been asserted, that this new project will be beneficial to agriculture; that though the farmer will pay a higher price for all he buys, and be taxed more than ever for the support of government, yet that he will be compensated for this, by the creation of another or better market for the produce of the soil. Is this true? That produce consists of articles of food or of the raw materials of manufactures. How is it possible that manufactures should extend the demand for food? Surely it will not be pretended, *in spite of our own experience and that of all mankind*, that manufacturing countries increase most rapidly in population, or that they require greater means of subsistence than others. The farmer feeds all the inhabitants of the country now, and here he can do no more. Since then the demand for food cannot be increased, the price can be raised only by diminishing the supply. If many, now engaged in cultivating the soil, are forced to quit the pursuit, the quantity of food raised may become less, and the price of course greater. Thus farmers are to be driven from their present employment to seek subsistence in another, and fields now under culture and laden with plants, are to be abandoned to desolation; and all this for the extension and encouragement of agri-

Although the agriculturists generally have been, and are now great sufferers by the prohibitory system, perhaps there is no portion of them *whose interests have been so deeply injured as those of the wool-growers*. Previous to the adoption of the non-importation policy in 1816, that branch of agriculture flourished in common with all others, but owing to the excessive stimulus given to it by the increased duties on wool, and the expectation of still higher rates to be obtained hereafter, an undue amount of capital was forced into that business, and the wool has in consequence fallen so low, as to afford (according to the statements which are published) a very inadequate return for the capital and labour employed in its production.

The woollen manufacturers have endeavoured to persuade the wool-grower that he had an interest in common with themselves, in establishing the high duty system, and *that he shared equally in its benefits*. We have shown in Sections 2d and 3d, how entirely the wool-growers had been deceived in such an expectation, and, indeed, some of the most intelligent of them seem to think it never was the intention of the manufacturers, that they should participate largely in the advantages of the monopoly, and it is extraordinary any of them could have thought otherwise, *since their interests and those of the manufacturers are directly in opposition to each other*. The wool-grower wants a high price for his staple, *while it is indispensable that the manufacturer should have it at a low rate*.

To show the opinions entertained of the manufacturers by the wool-growers and their representatives, we extract the following from the speech of Mr. Sheppard, an intelligent wool-grower, (as we are informed) at the Boston Woollens Convention in June:—"The flocks of the farmers were not worth preserving during the past winter. Farmers actually let them die." "The delegates who went from this State last winter, did not properly represent the inter-

culture. Yet, though the domestic market for food could not be thus increased, *the foreign market might, and would be diminished*; for we cannot afford to export our productions to other countries, *unless we can take what they can give us in return*. Now our farmer understands very well, that a foreign demand for his produce benefits him by advancing the price, not only of that which is actually exported, BUT OF THE WHOLE QUANTITY RAISED; he obtains more money for ALL that he sells, whether it is to be consumed at home, or abroad. Again—"Some appear to imagine that our soil must always produce the same quantity, and that we have only to determine whether it shall be made use of at home or abroad. But this is not so. *The productions of agriculture are created by the call for them*. The existence of more grain and cotton than we actually use, is only the consequence of the demand for exportation. Destroy the cause, as would be done by prohibiting importations, and what will become of the effect?"

The above are extracts from the report referred to, page 93, approved of unanimously at a meeting of citizens of this town and vicinity, and signed by a committee of 27 of the principal merchants, mechanics, and citizens, comprising some of the most intelligent and extensive manufacturers, and most of whom have since greatly extended their concerns. The duty on woollens at this time was 29 per cent.—it is now 38 per cent. Our opponents called, at the last session of Congress, for an average rate of 80 per cent.; but the Harrisburg Convention deeming that insufficient, ask for an average of about 120 per cent., and they call also for an increase of duties on coloured and printed goods, which now pay on the average 50 per cent. of 2 1-2 cents per yard, or about 15 or 20 per cent. on the average cost of them in Europe.

ests of the wool-growers. He believed in fact, *that they did not act in good faith towards this class of the community.*" The following is from a speech of Mr. Buchanan, member of Congress, addressed to his constituents, at a woollens meeting in June, at Lancaster, Pennsylvania :—"Did the woollens bill sufficiently protect the growers of wool? I answer confidently, that it did not. *In regard to them, it was a mere delusion.* Indeed the manufacturers at first *did not intend that any additional duty should be imposed upon the importation of foreign wool.* To the ability and perseverance of a representative of this state, (Mr. Stevenson, of Pittsburg,) we are indebted, that any provision was made in the bill in favour of the growers of wool." This statement has been confirmed by various other gentlemen, and among them by Mr. Stevenson himself referred to by Mr. Buchanan, and who was one of the committee of manufactures, which originated the Tariff bill, that passed the house of Representatives last winter. Both Mr. Buchanan and Mr. Stevenson were originally in favor of some modifications of the Tariff, for the further promotion of manufactures, but are unwilling to sacrifice all the other interests of the country, to effect that object. They are among the most intelligent and respectable members of the house, representing wool-growers and manufacturers, and their statements may be implicitly relied upon.

But it is now contended by our opponents, that the Harrisburg Tariff has provided for the wool-growers. We shall be able to ascertain the truth of that assertion, by comparing the rates of duty recommended in the Harrisburg memorial, with the existing duties on wool. All wool costing 10 cents or under, now pays 15 per cent. If costing above 10 cents, pays 30 per cent. The memorial recommends a duty of 15 per cent. on wools costing 8 cents or under, and 20 cents per pound, on wool costing over 8 cents a pound. Now the operation of the new duties as regards the manufacturers, depends on the qualities of foreign wool which they chiefly require, and the best mode of ascertaining that point, is to see what kinds they have heretofore imported. If the reader will turn to the 3d Section, he will see that the importation for 1825, was

669,375 pounds, estimated to cost 8 cents, and paying 15 per cent. duty.

859,877 pounds, estimated to cost 60 cents, and paying 30 per cent. duty.

1,529,252

The return for 1826, which was not in our possession when that Section was written, gives 106,704 dollars, which paid 15 per cent. duty, and must therefore have cost 10 cents or under, we estimate it as before at 8 cents, which gives

1,338,800

paying 15 per cent duty—343,021 dollars estimated

at 60 cents cost, paying 30 per cent. duty.

571,701

pounds 1,910,501

The rate of duty on the low priced wool, which comprises the largest proportion of foreign wool used, is the same in both Tariffs. The duty on the fine wools, under the existing Tariff, at 30 per cent. which is in fact 34 per cent. on the cost of 60 cents a pound, is 21 and two-fifths cents a pound, while under the Harrisburg Tariff, *the same quality would pay but 20 cents a pound*; but if we extend the comparison to still finer qualities, the advantage of the Harrisburg over the existing Tariff, to the manufacturers, *will be still more evident*. Fine Saxon wool, costing 100 cents a pound, now pays 34 per cent., or 34 cents a pound, but under the new rates, asked for by the convention, *which met to promote the interests of the wool-growers*, THE RATE WOULD ONLY BE 20 CENTS A POUND. It is true that the rate on all the qualities subject to the 20 cents duty, goes on increasing gradually till it rises to 50 cents a pound, but that can be of little or no benefit to the wool-growers, because the quantity of fine wool required, is inconsiderable, and within a few years, as we shall presently show, we must have more of this staple than can be consumed.

But admitting, however, that our views of the Harrisburg Tariff are incorrect, and that if adopted by Congress, it will operate favorably to the wool-grower; or going still further, if we suppose that Congress absolutely prohibits the importation, *and that not another pound should be introduced into the country*, we would ask how the condition of the wool-grower is to be improved?

We have already shown by estimates founded on the most approved statements of our opponents, that the consumption of wool, is about 40,000,000 pounds, and we have proved by Custom House documents, that the proportion of foreign cannot exceed 2,000,000 lbs., and consequently a very small addition to the number of sheep owned in the United States in 1826, *will carry up the produce beyond the wants of the manufacturers*, and when we have reached that state, what is to be done with the surplus? It cannot be sent abroad, for our opponents have told us, that it is lower in all parts of the world than in this. We say then, whenever the period shall arrive, (and it must come within a year or two,) that there is an excess beyond the consumption of wool, even though it should be only a few per cent., *prices must fall much below what they now are*. The wool-growers will be told perhaps, that entire prohibition of foreign woolsens, (which must be the effect of the Harrisburg Tariff,) will increase the demand for wool, which is certainly true, but not however to any great extent. Our consumption of woollens we have taken at 72,000,000 dollars—the amount imported for 1826, after allowing for the re-exportation, is, 7,445,444 dollars. Now if those were common staple goods, of equal weight with the domestic, we should allow about 4,500,000 pounds for an increased consumption of wool, but as a large proportion are mixed goods, hosiery, and fine broad-cloths and cassimeres, many of which will not be made here for

some years to come, the utmost addition which can be made to the present consumption of wool, after the Harrisburg Tariff gets into operation, will be 2,000,000 pounds. It will be perceived that in estimating the produce of wool, we have taken the year 1826, but since that time there is reason to believe the number of sheep have been increased ; we have no means of ascertaining to what extent, but shall refer to a source of information which will perhaps be satisfactory to our opponents. It is stated in an address to the people of Kentucky, by the delegates from that state to the Harrisburg Convention, that, " the number of sheep in the United States, is estimated at 18,000,000 ; and their fleeces are estimated at 2 1-2 pounds each, equal to 45,000,000 lbs. If this is correct, then the produce of wool is already adequate to the entire consumption of the country, even though we did not import a yard of woollens of any quality. But whether this is true or not at this moment, it is impossible to ascertain, but unquestionably the time cannot be far distant, when such will be the unfortunate predicament of the wool-grower. It is thus, that to the wool-grower, the prohibitory or high duty system is productive of double mischief. By preventing a free importation of cheap fabrics, it compels him to pay 25 to 60 or 70 per cent for taxes on some of the first necessities of life, which are still to be increased, if our opponents succeed ; and on the other hand, he has been allured by the stimulus of high duties, into too great an extension of a branch of agriculture for the surplus produce of which there can be no sale, *as there is no other country to which it can be sent* ; he must therefore destroy part of his stock, or within a short period submit to ruinous prices for his staple. We feel pretty confident that the statements offered in support of our view of the wool-grower's case, cannot be controverted, but we do not ask him to rely on them, without such an examination as will satisfy him of their correctness. We tell the wool-growers frankly, that we are as unfriendly to their pretensions as those of the woollen manufacturers, but if they can once be convinced, that the whole system of restrictions and prohibitions, is as injurious to them as to all other classes, and we contend it is even more so, *we hope they will join with the national party, in resisting it.*

We now call the attention of our readers to the all important article of cotton, which notwithstanding what is said by our opponents, *we have almost as great an interest in, as the cotton planters.*

For the mere transport alone and the charges connected with it, the Northern States receive about \$5,000,000, and we cannot doubt that at least \$10,000,000 more of the proceeds of the crop are expended in the northern sections, for manufactures, provisions, &c. We are led to infer then, from the statements of our opponents, that we shall find a home demand for all which foreigners refuse to purchase, even though it should be nearly all we produce.

The quantity exported from the cotton ports this last season, has been about 970,000 bales, to which may be added perhaps, 30,000

more, consumed in the interior of the cotton states, and never sent to the coast, making the whole crop about 1,000,000 bales. The most exaggerated estimate of the home consumption we have seen, is 175,000 bales, which we are willing to admit, though we apprehend it is too large. Now if the "American System" was in complete operation, so as to exclude all foreign cloths, then we should require an additional quantity of the material, equal to what is used in our imported goods. The import for 1826, of plain and coloured cotton goods was - - - - - \$7,316,749
Deduct the amount re-exported, - - - - - 1,714,788

Amount retained for home consumption, - - - \$5,601,961

As the import for consumption had fallen off upwards of three and a half millions, from 1825 to 1826, in consequence of the excessive duties imposed on cotton goods, it is reasonable to suppose there will be a great decrease this year, but we will call the import \$5,000,000, and adding 65 per cent. for charges, the importation will cost the consumers \$8,250,000.

The consumption of white linens and cotton goods, is estimated by Mr. Niles to be \$45,000,000 and if we add 15,000,000 for printed and coloured, the whole would be \$60,000,000, from which deducting \$10,000,000, for linen goods, the consumption of cotton goods would be \$50,000,000. We should think this too low an estimate, but we adopt it, as founded on an authority which will be satisfactory to our opponents. If then, we ceased entirely to import cotton goods, and none should be smuggled, (which is, indeed, improbable under such enormous premiums as are offered by our Tariff,* to an active commercial people bordering on our almost *uninhabited frontier, of some hundreds of miles,*) we should add one fifth to the 175,000 bales of cotton now consumed, provided the imported goods were of similar qualities to the domestic, but as they are nearly all fine and light ar-

* The following extract from a report of Mr. Crawford in 1820, while Secretary of the Treasury, (and who certainly for talents and knowledge as a statesman, ranks high) shews the views he entertained, of one of the worst effects of high duties, when the rates were much below what they now are.

"Indeed, there is just reason to believe, *that with the present rates of duty the practice of smuggling is gradually increasing, considering the facilities which the extent of our coasts and frontiers, and the numerous harbours, bays, inlets, and rivers, by which they are indented, furnish for the illicit introduction of foreign merchandise.* The settled policy of the government has been to diminish as far as practicable, the temptation which high duties would furnish to take advantage of these facilities." Every reflecting man will assent to this opinion, our opponents themselves assert that even under a duty of 38 per cent. the most extensive frauds are practised by the importing merchants, and foreigners. Yet they advocate duties 57 1-2 per cent, to 281 per cent. and some of them too, under the pretence of *promoting and guarding the revenue!!!* But is there any man so simple, as to believe such rates can be collected, or that the most extensive smuggling is not now carried on, not however, in our cities, (and we hope not by our citizens.) but on those extensive frontiers, to which Mr. C. refers. What becomes of the 6000 tons of teas imported into Canada and Nova Scotia, where not half the quantity can be consumed? The China merchants can tell the high duty party, *that one half at least are introduced into this country, to their manifest injury, and to the great loss of revenue to the nation.*

ticles, or coloured goods, in which the material forms only a very small portion of their value, it will be nearer the truth to add one seventh, and this would bring the home consumption of cotton to 200,000 bales. That this is too high we have before observed, and it will appear more evidently so, by a comparison with the consumption of Great Britain and France. If we take the population of the former country at 22,000,000, and ours at 12,000,000, an allowance of 200,000 bales for the United States, would carry her consumption up to 366,666 bales, whereas we have estimated it at 335,000 bales; and if we allow the population of France and Switzerland, (furnished with cotton by France) to be 34,000,000, if they consumed in proportion to us, they would require 578,000 bales, which is more than double of what they actually consumed in 1825. It would appear, then, that if we did not import a dollar's worth of cotton cloths, and that none were introduced clandestinely, the utmost extent of the home consumption, according to the most extravagant conjectures of our opponents, would be 200,000 bales, leaving a balance of 800,000 bales, to be disposed of by the supporters of the "American System." But we ask our opponents how this surplus is to be disposed of? what are we to do with these 800,000 bales of cotton, (and still more with the 1,200,000 bales excess, which we may perhaps have within a few years) when by our non-importation laws, we shall have disabled Europeans from trading with us, *by refusing the only articles which they can offer in exchange for our produce?*

The advocates for non-importation and non-exportation, tell us in the extracts we have given, that a great part of this material, can be worked up into goods, for the supply of those nations who now depend on Great Britain, and they assert this too, at the same moment, *when these very men are calling for additions to 30, 40, and even 90 per cent duties, to enable our manufacturers to compete with the foreign manufacturers, in our own market!!* "But what," says Mr. Niles, "are the effects of the Tariff? The best market for Virginia cotton is at home. Virginia obtains cotton goods cheaper than she ever did, and* the nabobs of Waltham, are rivalled in many places, so that the whole manufacture is reduced to the lowest point of profit that it will bear, so low, *that we undersell the British in every foreign*

* There is no class of men, who have been assailed in more reproachful terms, by the party against which we are contending, than the "*Nabobs of Waltham*;" by whom we understand our opponents to mean, not only the proprietors of that particular establishment, but generally those enlightened and high minded manufacturers in this town and vicinity, who although having a deep interest involved in the business, have always refused to join in applications to government for additional duties. Yet these are the men, who by their talents and enterprise, have been more instrumental than any others, in extending and improving this valuable and important branch of industry, and who are constantly making advances to still greater perfection. They were satisfied with the rates granted in 1816, and have disapproved of, and some of them joined in resisting the additions, which have since been made to them. Such indeed are the opinions still entertained in this quarter, we will not say by all, but certainly by many of the most intelligent cotton manufacturers; and they will never, we think, give their sanction to the system we are resisting.

market at which our goods are received on the same terms as their own. *These unquestionable facts*, are worth a whole library of speculations, apply them as you will." "*These unquestionable facts*," are repeated by Mr. Tibbits and others. "Cotton goods," remarks Mr. Tibbits, "have become at this time a great, if not the surest article for exportation, which we have. The coarse cotton cloths of this country, *now have the preference in the South American markets over the cloths of England*, made for like purposes; and they bid fair to supplant them in all foreign markets, where cloths of both countries find admittance and a market."

With regard to our export of domestic cotton goods, we have already shown by Custom House documents, that the amount exported in 1826, being more than in any preceding year, was only 1,138,125 dollars, which compared with British export of the same article for 1825, (\$150,985,000) *was only two thirds of one per cent.* Mr. Tibbits observes, "that it is said, the United States exported 4,000,000 dollars, cotton goods in 1825." On turning to the official list of articles exported in 1825, we find the "non-enumerated" item, (under which cotton goods were included till the last year) was but 2,560,682 dollars, of which cottons may have made up a third. But it is in South America more particularly, where we are to find markets, by underselling the British with cotton goods, and the exaggerated statements of the extent of our shipments to that quarter, have imposed such a belief on the minds of many intelligent men, especially among the cotton manufacturers. On referring to the export list of 1825, we find as we have just observed, no separate return of domestic cotton goods, but if we take one third of the amount of the non-enumerated articles of manufactures, it would give us for the whole amount of export of domestic cotton goods, only 853,621 dollars, of which, perhaps, two thirds, or 569,081 dollars, went to Mexico and South America.

In the same year, our export of *foreign cotton goods*, plain and printed, amounted to 1,810,591 dollars, of which 1,106,214 dollars, or about double the amount of our domestic, went to Mexico and South America. In 1826, our whole export of cotton goods, was \$1,138,125, of which \$711,959 went to Mexico and South America, while of *foreign cotton goods*, to all quarters, we exported \$1,714,788, of which \$901,849 were shipped to Mexico and South America.

It appears, then, from indisputable evidence, that we import cotton goods from Europe at an expense of 20 per cent, and re-export them in larger quantities than we do our own fabrics, *to those very markets, where our opponents say, "we can undersell British manufactures!"* To this re-exportation of foreign cotton goods from our own country, may be added, perhaps, nearly as large an amount exported on American account, direct from Europe to various quarters of the world, other than the United States.

The committee beg leave to invite the attention of the reader to a comparison of this statement, with the assertions of our opponents, and which they term "*unquestionable facts.*" *They assert*, that the home market, if we exclude foreign cotton goods, will afford an ample market for all our surplus produce; and one of them says, "the cotton and woollen manufacturers alone, consume a greater amount of produce than is sent to foreign markets."

We prove, and chiefly from their own data, that 800,000 bales of cotton, were we to rely on our country for consumption, would be unconsumed, if we did not import a yard of cotton cloth. *They assert*, "that we undersell the British in every foreign market, at which our goods are received on the same terms as their own." *We prove*, from the most authentic documents, that the British exported in 1825, cotton manufactures to the amount of \$150,895,000, while our export of that article in 1825 did not probably exceed \$853,621, and that to those very markets where our manufactures are said to have such a preference as to "bid fair to supplant those of England." *We sent nearly double as many British manufactures, as of our own.*

Let us now see what was the export of cotton goods from Great Britain to South America. On reference to the official list of exports from Great Britain for the year ending 5th January, 1826, we find the export of British produce and manufactures (nearly all the latter) was upwards of \$40,000,000. The amount of each particular article we have no means of ascertaining, but as cotton goods made up two-thirds of the amount of the whole export of produce and manufactures from England, there can be no doubt that at least \$25,000,000 of the \$40,000,000, were in cotton goods, to which may be added a considerable amount shipped indirectly through their own colonies and other West India Islands, to which were sent in the same year, \$38,000,000 of British produce and manufactures. The exports to the British West India Islands, and their colonies adjoining this country, amounted to upwards of \$30,000,000, no inconsiderable portion of which were either introduced into the United States, or re-shipped to South America. The probability is, that the direct and indirect shipments of *British cotton goods for 1825 to Mexico and South America*, did not fall short of \$35,000,000, which would not allow above two-fifths the consumption for those countries, which is estimated to be consumed in the United States, nor one quarter of what is consumed in Great Britain.

The committee have gone into this minute examination of the consumption of cotton and cotton manufactures, to show how entirely delusive the notion is, that when we have compelled the manufacturers of Europe to buy their cotton elsewhere than in this country, that we can find a vent for it in the manufactured state, in this country and South America. If, indeed, it should be proved that we could expel the British manufacturers from this continent, and have all the markets entirely to ourselves, we could only get rid of one-sixth

of our present surplus, to say nothing of the increasing excess, which we may every year anticipate.

It may be well to remark, that among those South Americans, we propose to supply with manufactures, *there are twice as many cultivators of cotton as in this country, who depend on Great Britain for the purchase of that staple, and are willing and desirous of taking manufactures in exchange.* But we shall again be met by Mr. Clay's declaration, that do what we will in excluding British manufactures, *"she must take our cotton because it is cheapest, and it would be ridiculous in her to do otherwise."* We answer a second time, that this is reasoning against his own system, which is, to buy goods where they will cost the most, provided we employ domestic labour and capital, although the obvious effect of his principles, as we have shown, is to diminish the demand for labour, *by destroying the capital on which labour must depend.*

It is unquestionably the interest of Great Britain, to buy her cotton of us, as long as we are willing to exchange it for such articles as she can supply, and thus furnish that employment for her capital and labour, which she does to our capital and labour, in taking the productions of our soil; *but when we cease to admit her staples of trade, she must necessarily resort to the Brazils, Egypt, and the East Indies, where this staple can be had in exchange for her produce and manufactures.**

The non-importation system will have the same operation upon our trade with France, Holland, and all other countries, as upon the trade with Great Britain. It is of no importance what may be their disposition towards us, or how low our productions are, *they cannot buy of us, unless we buy of them.* This is the essence of commerce, and *it cannot exist on any other terms.*

Some of our opponents contend that Great Britain is about to abandon her system of free trade, and return to her former one of restrictions and monopolies, and assert this as a reason why we should adhere to, and extend our restrictive policy. But there are no indications that Great Britain will change her policy. She has already experienced too many benefits from its abandonment, to envy us any of the advantages we may derive from the adoption of her rejected policy. It would be doing great injustice to the wise and experienced men who are now at the head of affairs in Great Britain, to imagine they will not proceed still further in the course of reform, and make such other changes as the national interest requires. The individual

* Extract from Mr. Webster's Speech on the Tariff of 1824: "Protection, when carried to the point which is now recommended, that is, to entire prohibition, seems to me, *destructive of all commercial intercourse between nations.* We are urged to adopt the system upon general principles; and what would be the consequence of the universal application of such a general principle, but that nations would abstain entirely from all intercourse with one another? *I do not admit the general principle; on the contrary, I think freedom of trade to be the general principle, and restriction the exception.*" It should be recollected by our readers, that at this time the duties on cottons and woollens were lower than they now are.

(Mr. Huskisson) who more immediately presides over their commercial regulations and policy, has been pronounced by Mr. Webster, "one of the most clear and sensible writers and speakers of the age, on subjects of this nature," and by the late Mr. Canning, "the ablest and most efficient man of business in the Kingdom."

To the praises of these eminent men, (no mean judges, as all will allow, of talents and of merit,) it may with equal truth be added, that Mr. Huskisson is also one of the most virtuous men, and successful statesmen, his country ever produced.

That the restrictive system is a vicious one, has for a long time been acknowledged in all the most enlightened parts of the world, and more especially in England. No statesman or economist of any eminence, no writers, practical or theoretic, *whom it would not be discreditable for a legislator to quote*, has, for many years, pretended to defend the principles on which it is founded. Mr. Huskisson, therefore, only maintained, in common with other intelligent men, the principles of free trade, but his peculiar merit, *lies in reducing those principles to practice*; in the skill and address he has displayed in breaking down most of those monopolies and restraints, which, from having grown out of many centuries of bad legislation, had become incorporated with all the great interests of the country, and were, therefore, difficult and dangerous to be removed. But what is still more to be admired in the character of Mr. Huskisson, is that firmness of principle, and that moral courage, with which (during a long political life) he has borne and resisted the clamours of the ignorant and the sneers of the malignant, who were too dull to comprehend the scope of his plans, or to grasp their results—or too selfish to tolerate a man whose measures they imagined might be injurious to their personal views, though it must have been obvious to them, that he could be actuated by no other than the most disinterested and patriotic motives.

Nothing, however, could drive this upright and inflexible minister from that bold, but well defined course, which his own good sense and the lasting welfare of his country, had pointed out to him as the path of usefulness and of fame; and he has lived to see the day, when those who formerly made the most strenuous efforts to obstruct his measures, are now anxious to be numbered among his warmest eulogists.

They have at last realized, what his superior sagacity enabled him always to foresee, that his system, when fairly in operation, would not only disappoint all their fears, but would promote those very interests, which his opponents imagined were in the greatest danger from his reforms. That there are men of some distinction in England, who, lingering behind the age, still cling to the fallacious and exploded notions of their ancestors, is not to be denied, but it is equally true, that they have lost both their power and influence, as has been most clearly and most happily demonstrated, by the events

of the past year, when they were so signally defeated, in the last struggle, it is to be hoped, they will ever make, in favour of those restraints upon the occupations and interests of men, which our opponents are now attempting to impose upon this nation.

* Since, then, Mr. Huskisson has so well succeeded in all his experiments, as to win the entire approbation and confidence of the most active and intelligent portion of the British nation, what reasons have our opponents to believe, as they sometimes affect to, that he will retrace his steps, and take back a worthless system, which he has taken so much pains to destroy?

That they should earnestly desire to witness a failure of Mr. Huskisson's plans and all other plans for the promotion of free trade; to see him renouncing those liberal and just principles by which he has been governed all his life, that they may have his example and authority to sustain the narrow and selfish schemes they have in view, is most natural; but we think, nothing can be more desperate than such an expectation.

Although Mr. Huskisson and his associates,† who all cordially

* We give the following extract from a speech of Mr. Gladstone, an eminent merchant and member of Parliament, addressed to the constituents of Mr. Huskisson, at Liverpool, on the occasion of Mr. Huskisson's offering himself as a candidate for re-election, as their representative in Parliament, in September. It shows the estimation in which Mr. Huskisson is held, and at the same time, the views entertained by intelligent men in England, of *the practical benefits experienced from the free trade system*, which our opponents affect to believe, is about to be abandoned by Great Britain. "They had all experienced and admired the skill and perseverance with which he had applied the powers of his great mind to the advancement of the trade of the country in all its branches. But it was also known to them, that he had not escaped the attacks of the most envenomed rancour and calumny, and that his measures had been assailed as pregnant with mischief and destruction to the best interests of the country. They would remember the violent opposition that was raised against his first attempts to relax the restrictive regulations, by which the silk manufacture in this country was supposed to be upheld; the predictions of distress and ruin to all engaged in it; the loss of property to the manufacturer; the cessation of employment to the workmen; the throwing of thousands of people out of work, and consequently an enormous increase of the charge upon the poor rates, all which were denounced as the natural effects of his measures. But look at the result!! That branch of manufacture, the destruction of which was foretold, was now in a state of prosperity, which it had never before known." "There was another question, in which he (Mr. Gladstone) had formerly taken part himself; he meant the change which had taken place in connexion with our navigation laws. He had certainly looked with considerable jealousy at the concessions which were made *in furtherance of the reciprocal system*, particularly to Prussia. He was free to confess he had been in error upon that point." "In all his measures affecting the trade and navigation of the country, he was convinced that Mr. Huskisson had always been desirous of promoting the interests of the ship owner, wherever he was able to do so, *consistently with the other great interests of the country.*"

† Since the death of Mr. Canning, Mr. Huskisson has been transferred from the Board of Trade to another department of the Government, but his successor, Mr. Charles Grant, (formerly Vice President of the Board) possesses the same liberal and just views, with regard to commerce, that Mr. Huskisson does and always has done, and he would not have been elevated to his present situation, had he held any other opinions. Lord Goderich, the Prime Minister, who, while Chancellor of the Exchequer, gave Mr. H. a most able and cordial support, unites in the same views; while on the other hand, the Marquis of Landsdowne, at the head of the Whig interest, and one of the most enlightened and popular noblemen in England, is equally favourable to the free trade system, and has never been otherwise. In fact, not only are these leading men in the Cabinet, as well as all the other members of it, agreed upon this point, but they

participate in his views, will not abandon their principles of free trade, yet may they not deem it incumbent on them, on the score of policy, to meet the restrictions and prohibitions of this country, by similar measures, in the hopes of removing those obstructions which are so injurious to *their* trade as well as our own?

This is the course which England has been forced to adopt towards France, because the latter country from being hampered by those restraints which descended to them from their barbarous and ignorant ancestors, would not come into the free trade system; and the consequence has been, an almost entire commercial non-intercourse.

It appears from official statements, as we noticed in a former section, that the whole import and export trade between France and England for 1825, amounted only to \$14,574,692, exceeding by only \$783,501, our direct trade with Cuba last year, *and far less* than the aggregate of our transactions with that Island.

Here, then, is another instance to show the different results of a free, unrestricted trade, and one which is hampered by "*protecting systems.*" The United States with 12,000,000 of inhabitants, carry on a more extensive and valuable trade with a population of 7 or 800,000 persons, half of whom at least are slaves, than the total amount of the transactions between two neighbouring kingdoms, possessing a population of 54,000,000 of the most industrious and richest subjects in the world.

Can any thing be more discouraging than such a contrast? Can any thing be more alarming, or more hopeless, to those who are to be the objects of this policy, than the prospect such a comparison presents? Yet it appears to this committee inevitable, that should the principles we are contending against prevail, the great exchanges of 60 to 80,000,000 dollars, which we now annually make with Great Britain, and her colonies, *and which would be much greater if our tariff had not been altered in 1816*, will at no very distant day, be reduced to the same insignificant sum, as the annual amount of the trade between France and England.

The existing rates of duty are so high as to have had a very sensible effect in diminishing our foreign trade, as we have already demonstrated by the reduced importations of cotton and woollen goods in 1826, as compared with a former year, but it will be much more striking, if we contrast the amount of our transactions with Great Britain for those two years. In 1825, the amount of our export and import trade with Great Britain and her colonies, was 86,612,337 dollars; in 1826, the amount fell off to \$61,192,375, making the former year upwards of 40 per cent more than the latter. We confess, that

are supported by nearly every member of the House of Commons of any reputation for talents, and by the most distinguished men in the other branch, as well as the most influential part of the nation. It is, therefore, without the least foundation in truth, as our opponents represent, that the British Government are disposed to abandon the free trade policy.

a part of the excess of 1825, arose from what Mr. Niles terms, those "ruinous irregular prices" paid by the British manufacturers and merchants, for our cotton, but the principal cause of the decline in this trade, grows out of the system of high duties, which diminishes the means of Europeans of purchasing our produce. It is no answer to this, to say that all our surplus produce has been disposed of, as the argument might be urged if our exports were reduced to a million. What we maintain is this; if we were to receive from foreign nations their staples of trade, at such moderate duties as existed previous to the establishment of the protective system, we should afford them the means of consuming an increased quantity of our produce; and, as much of the capital, which we are told is now unprofitably employed in manufactures, would be turned to agricultural pursuits, we should have more produce to export, and cheaper fabrics in exchange for our productions.

But still say our opponents, Great Britain must take our cotton, because it is not only the cheapest, but the article cannot be had in sufficient abundance elsewhere. To the first we answer again, *that our cotton will cease to be the cheapest, from the moment we refuse to receive in return for it the products of British labour.* The cotton of India, Egypt and the Brazils, may be nominally higher, but the little advance in price, will be compensated by a like advance on the goods given in exchange, so that the same quantity of British labour will procure an equal quantity of cotton in those countries, that a like quantity of labour will procure in the United States. As to the quantity of this material which those countries can afford, *there is no question of their ability to supply the whole wants of Europe*, at a very small advance on the existing rates, *and possibly still lower.*

The trade of India is wholly under the controul of the British, and the imports into England from that quarter have been as high as 242,000 bales a year, and as the article is cultivated by at least 20,000,000 of people, and in a climate and soil suited to its growth, it will be perceived that a very slight stimulus, would carry up their surplus to four times the quantity they have ever exported, added to which, the natives of India are great consumers of British manufactures and more especially cotton goods, and they will extend their purchases as fast as they can find staples to pay for them. With the Brazils, the British are on a more favoured footing than any other nation, and *their cotton goods*, are admitted in that country at 8 per cent. lower duties than ours; while Portugal is so closely allied and so dependant on England, that the latter can hardly fail to maintain her ascendancy, more especially if in consequence of being driven from our markets, she should offer additional encouragement for the cultivation of her cotton. From the Brazils, there were imported into England in 1825, 198,000 bales of cotton, and as she has a larger population than our cotton states, no one will doubt she can easily supply double the quantity she now exports. The cultivation in

Egypt, was only commenced a few years ago, and yet in 1825, she exported to England 103,000 bales.

It will be seen, then, that these countries are capable of furnishing a quantity of cotton, nearly equal to the largest consumption of Great Britain, previous to this year. The freight from India to England, *while the trade was a close monopoly*, averaged £25 a ton, but under a free trade system, *it has fallen to an average of £5 for a ton* of 50 feet, into which 1500 pounds of cotton are pressed; thus lowering the principal charge, which is that of conveyance, from four pence to four fifths of a penny a pound. At the last price of cotton in India, it can be afforded at a fraction under five pence a pound.*

The quality of Bengal cotton is poor, compared with good Uplands, but it has been used to a great extent, *and would be again, if our non-importation system prevails*. The cotton from the western parts of India, is quite equal to the worst half of the United States crop. We have very little doubt that at the present prices of our cotton, we can undersell that of all other countries, *while we are willing to exchange it for the productions of those nations who are in want of it*, but when we cease to do so, our cotton will no longer be the cheapest.

As to great Britain being any more dependant upon us for that staple, than we are for what she now gives us, in exchange for it, there cannot be a greater mistake, *and it will be impolitic for us to legislate against her commerce, upon that erroneous notion*.

It has been contended, however, upon another ground, *that Great Britain must take our cotton*, viz. to enable her to meet her manufacturing competitors, France and Germany, in supplying those nations with cotton fabrics, who do not manufacture for themselves. At the woollens convention held in Boston in June, Mr. Lawrence remarked, "It has been said that if we do not take British woollens, she will not take our cottons. Sir, she must take our cottons; and if you ask the reason why, it is because she has competitors who take them. France and Germany take American cottons, *and they are, and are to be, sharp competitors* with Great Britain. If you ask why they take American cottons, it is because they are better and cheaper than any other. France and Germany have found the secret spring, by which Great Britain subsidised half the crowned heads in Europe; it was her manufactures. They now have set up for themselves, and have already exported to this country, prints and other goods which have sold for a profit in the New York market, in competition with British manufactures. If American cottons are cheaper and better, and she must take them, you will ask how Great Britain will pay for them. Sir, she will pay *in the coin of*

* As a confirmation of this, the committee give the following extract of a letter from a respectable house in London, which receives consignments of the article from India, dated April, 1827. "We are selling 1000 bales of Bengal cotton, arrived the other day from India, at four and a half pence per pound, *which is a trifle under cost and charges*."

our country, that coin which bears the impress of the American arms; that coin she has received for her woollens, and Sir, it will make good payment for our cottons."

Before we proceed to an examination of the assertions of Mr. Lawrence, we would call the attention of our readers, to the character in which he appeared in this assembly. He went to that convention, to advocate the claims of the woollen manufacturers, who already enjoy a duty of 38 per cent., to which if we add the usual expenses of importing, not less than 19 per cent., makes the whole amount of protecting charges 57 per cent., equal to \$41,040,000 on the whole consumption of woollens in the United States, which must be paid on the foreign fabrics, *before the importer can meet the domestic manufacturer in his own market.* Not satisfied however with this excessive protection, the object of Mr. Lawrence, in his speech, was to promote the assembling of a more general woollens convention, to which he was himself a delegate. The result of their proceedings, (which have been frequently praised for their *moderation*) was, as is well known, a memorial to Congress, recommending such alterations in the Tariff, as will carry up the duties on the finest cloths to 57 1-2 per cent., *and on the inferior cloths to 281 per cent.* Those rates are the extremes. The mode we have adopted of estimating the duties has been pronounced incorrect, and according to the other mode of calculating them, the minimum rate would be 57 1-2 per cent, and the maximum rate *only 245, instead of 281 per cent.* Now this proceeding is in perfect accordance with the spirit of the "American System," and the former views of the woollen manufacturers, although heretofore they had not so openly disclosed the full extent of their demands. But, mark the unreasonableness of this advocate of the prohibitory system! "England," says Mr. Lawrence, "must take our cottons." Why must she? "Because they are cheaper and better than any other." We agree with Mr. Lawrence, that it will be wise in England, to buy her cottons where she can get them cheapest, and she will no doubt act upon that principle, but we contend *they will not be the cheapest, when the "American System" prevails.* But if Mr. Lawrence was sincere in his opinion, and really believes it to be politic in England to take American cottons because are they cheapest, why, we would ask, are the people of this country to be prevented from taking the cheaper fabrics of Europe, and why are they compelled to consume our own at an annual expense (beyond what the manufacturers say the foreign ones would cost) of \$23,940,000, and which the Harrisburg convention recommends to be more than doubled!! Such are the inconsistencies to which men are driven, who undertake to establish systems, which cannot be supported upon principles of sound policy or justice.

With regard to the remittances of gold and silver to England in payment for our imports; if the assertion of Mr. L. was correct, and

he had proved that we sent \$20,000,000 a year to that country, no argument could be derived from that circumstance, to support his views. We have already shown from Custom House reports, that in 1825 we received from Great Britain, \$2,772 in gold, but did not export an ounce to that country. In 1826 we exported \$17,271 in gold, and received in return \$4,360. But *the aggregate* of our exportations of all the precious metals to Great Britain from 1823 to 1826, four years, after deducting the imports, *amounted to only* \$908,076. And yet we are told in hundreds of the speeches and essays of the most influential advocates of the "American System," *that the country is almost ruined by the drain of specie, caused by our imports from Great Britain.* "Great Britain" says Mr. L. "will pay for our cotton, in the coin of our country!" If England possessed every particle of silver and gold, *which was ever coined at our mint, the sum would be insufficient to pay for one crop of cotton.*

We come now to the competition which England has to fear from Germany and France, in supplying other nations with cotton fabrics, and from the terms Mr. Lawrence uses, the reader might infer that those two nations shared in some considerable degree our market with the British. On examining the statement of imports for 1825 and 1826, we find the aggregate importation of printed and plain cotton goods from France and Germany, including the Hanse towns, amounted to \$801,938, while from Great Britain the import of similar goods was \$16,168,041, and \$611,212 from the East Indies. It appears, then, on investigation, that France, Switzerland, and Germany, containing a population of upwards of 50,000,000 sent to the United States in two years, \$801,938 in cotton goods, against an importation from England of \$16,168,041; during which period our consumption could not have been less than \$100,000,000. This to our minds does not indicate a "*sharp competition*," nor any competition at all. In truth, the few cotton goods we have received from France and Germany, are principally fancy articles, fine prints, and muslins, &c. and purchased almost entirely by the wealthy and fashionable, *because of their scarcity and dearness*, and no sooner are they received, than patterns of most of the articles are sent to England, and imitations returned to three times the amount we receive from the former countries, and at much lower prices. It is idle to talk of France or Germany holding *any competition with Great Britain* in the cheapness of their cotton fabrics, in the present condition of those countries, and they are equally behind England in various other manufactures, such as glass, hardware, &c. and nearly as much so in the cheapness of their woollens, as is evinced by our purchasing in that country, more than eleven-twelfths of all we import. All we have received from the rest of Europe, in our greatest years of importation, *does not exceed the amount of woollens consumed in this city.* It is this cheapness of manufactures in England, and her *readiness to receive in payment for them the productions of our coun-*

try, which renders it important that we should sustain and extend this branch of commerce; while on the other hand, it is equally important to the views of the party we are opposing, to embarrass and destroy this trade, as interfering with the high duties on fabrics they wish to force upon the consumers. The interests of the party contending for restrictions, monopolies, and prohibitions, *are and must be, opposed to the national interests.* Let every consumer bear in mind when he is purchasing a high taxed domestic fabric, that he not only pays a bounty to the manufacturer equal to the duty levied to keep out the foreign article, but that this tax is just so much loss to him, without affording any compensation to the nation, *since the foreign fabric for which the domestic is a substitute, would have been purchased with the produce of American labour and capital,* and the accumulation of national wealth would be just so much more than it now is, as the amount paid for the protection of domestic manufactures. We are aware of the answer which is constantly made to this statement, viz. that foreign nations will not buy our surplus produce. Our reply is, that any diminution of demand we have as yet experienced for our produce, has been caused almost entirely by the operation of the high duty system, *which has cut off part of the means foreign nations would otherwise have had to purchase from us.* If it was true, however, that foreign nations did refuse our produce, it would only be a proof that we no longer had the means of purchasing those fabrics which interfere with our domestic goods, and thus, instead of raising the duties, *we might venture to lower them, without injuring the domestic manufacturers.*

To return, however, more immediately to our subject, we say it is so far from being true that Germany, or any of the continental nations can be considered as competitors with England, in supplying other nations with cotton fabrics, that they all depend very much (France and Switzerland excepted) on her for their own supplies. The whole European consumption of cotton, out of France, Switzerland and England, among a population of at least 120,000,000, is not estimated by the best judges to exceed 150 to 175,000 bales. The importation of British produce and manufactures, chiefly the latter, into the Netherlands and Germany, exclusive of Prussia, during the year 1825, was upwards of \$43,000,000, and into Italy the same year, upwards of \$13,000,000; and as the article of cotton fabrics, made up two thirds of the amount of British exports of that year, there can be little or no doubt, that two thirds at least of these exportations were cotton manufactures. If there are any manufacturers who could rival the British, those of Germany and Italy must come next in skill and capital to the French. The trade between France and Great Britain, being regulated upon the principles of the "American System," no British cotton goods could go in the usual way to that quarter, but it is well known that an immense amount are clandestinely introduced, and such will ever be the case, where

governments hold out temptations to smuggling, by high duties; and such indeed, we are told by Mr. Davis and other supporters of the "American System," is the case in this country, not however among that class of respectable men referred to by woollen manufacturers and their partisans, but on those extensive and uninhabited frontiers of our country, which all the militia of the United States, if converted into revenue officers, could not guard, while there are such inducements offered to evade our laws.

That France can have no cotton manufactures to export, is evident from the small quantity of cotton she consumes, which, including Switzerland, and possessing together 34,000,000 people, does not exceed our estimated consumption more than 50 per cent.

France though in advance of all the continental nations in the manufacture of cottons, is probably behind this country in the cheapness of all such heavy goods as our manufacturers have attempted. She excels us in nothing but the lighter fabrics, the cost of which depends principally on manual labour, but in the staple fabrics, which constitute nine-tenths of our consumption, there can hardly be a question of our superiority.

What the particular causes are, of the inferiority of the French to the British manufacturers, it is not our business to discuss; one of the most obvious of them, however, is *the continuance of those monopolies and restrictions, which, while they existed in England, retarded her progress towards that perfection which she has now attained.* Our opponents argue the case as if it was a want of experience which had prevented the continental nations from rivalling the British, but cotton manufacturing is not a new business in France. In 1800, the consumption of that country was 17,000,000 pounds of cotton, against 56,000,000 in Great Britain; while the consumption of both France and Switzerland for this year will not exceed 300,000 bales, against 670,000 bales for the former country. This certainly does not prove on the part of France, a very rapid advance upon her competitor, in the art of manufacturing cotton goods.

Now if it is true that the continental manufacturers cannot make cotton goods so cheap as we do, and if we admit that the duties imposed by our Tariff, are necessary to protect them against importations of British fabrics, then it is certain that the continental manufacturers, cannot undersell the British, *if the material or a bounty equal to its value, was given them.* To ascertain the correctness of this position, we must compare the cost of the material of cotton goods, with the duties now paid upon them. The heaviest cotton goods used among us or manufactured in any country, require a pound of cotton to three square yards. The price of good Upland in England to the manufacturer, does not exceed 7 to 7 1-2 pence per pound, or 13 to 14 cents, which would make the material in a yard cost 4 1-2 cents; the duty on which under our Tariff, is 7 1-2 cents. If, then, it requires 7 1-2 cents a yard to protect our manu-

facturers against a yard of British cloth, of which the material only costs 4 1-2 cents, is it not evident, that if our manufacturers had the material given them, they would still be very much undersold by the British manufacturers in our own market? It is contended, however, by our opponents, that 7 1-2 cents is not necessary to enable the domestic manufacturers to sustain a competition with the British manufacturers. We answer then, that it was extremely unreasonable, not to say absurd, for cotton manufacturers to ask and obtain an addition of 1 1-4 cent per yard, to the 6 1-4 cent duty, in 1824, at the period when that branch of business was at the height of its prosperity; and still more inconsistent in their representatives at the Harrisburg convention, to recommend a further increase on printed and coloured goods, which now constitute five sevenths of our importation, of 2 1-2 cents per yard, making the duty 10 cents per yard, on goods which do not cost on the average 12 to 15 cents per yard, while the same persons who recommend this measure persist in telling us, that the effect of the Tariff of 1816, has been, "*to make goods come cheaper to consumers,*" and that England, can no longer contend with us, *even in foreign markets, in coarse cotton goods!!!* But even on the supposition that it required half the existing duty to keep British goods out of our markets, added to the other charges on them, it would still prove as matters now stand, that the English manufacturer can afford to pay 50 per cent more for the material than ours, and still undersell them, even in those heavy goods which we make to greater advantage than any others; and of course that the British manufacturers have a still greater superiority over their continental competitors, who are below us in the art of making cheap cotton goods. When we come to the finer and lighter goods, the British manufacturers undersell our's still more than in the coarse ones. In the cost of the material we are nearly upon an equal footing, the advantage being of course somewhat in our favour, but here the principal items of cost are skill, capital and labour. A cotton shirting costing perhaps 8 pence sterling a square yard, or 15 cents, would not contain more than one fifth of a pound of cotton, which would cost if made of finer sorts 8 pence per pound, or 3 cents for the material in a yard. This description of goods has continued to be imported very largely and till of late, and even now may perhaps, pay some profit, though it will be entirely excluded, as soon as our manufacturers go more into the finer qualities. Here the cost of the cotton is 3 cents per yard, and the duty 7 1-2 cents. There is another class of goods, which now constitutes the bulk of our importations, which shows better than any other, the comparative cheapness of British manufactures. We mean prints, costing 5 to 6 pence per square yard, coloured cambrics, and other still coarser goods costing from 3 to 8 pence a yard, and which pay under the existing Tariff 50 and 120 per cent. We find on reference to the imports of 1826, that the quantity of plain, printed and coloured cotton goods, retained in the

United States for consumption, amounted to \$5,601,961; of which \$4,024,344 were coloured and printed, and by far the largest portion of which we understand, now pay 50, many articles 60 to 75 and some 120 per cent duty. Notwithstanding the importation of this staple manufacture is reduced to such a miserable remnant, and the existing duties are so enormous, still, the Harrisburg convention, which has been so often praised for its practical wisdom and *moderation*, recommends an addition of 2 1-2 cents a yard, making an increase of 20 or 30 per cent. We would not have it inferred however, that we view this proceeding of that assembly on behalf of the cotton manufacturers, as emanating generally from that class, for we believe by many of them it is disapproved of. We know it is by some of them in this quarter.

We have already attempted to show, that Great Britain was not so dependant on this country for cotton, as our opponents represent; and that if we exclude her produce and manufactures by prohibitory duties, it would be for her interest to procure it elsewhere. We shall now show from correct sources of information, that in the disposal of her immensely valuable cotton fabrics, Great Britain relies mainly on her own subjects and colonies, or on such nations as will continue to find it for their interest to receive British manufactures in preference to any others.

We have before stated that the official value of cotton goods exported from Great Britain for 1824, was £30,154,436, and that Mr. Huskisson in the same year, estimated the home consumption to be £32,000,000. The export for 1825, was £30,795,000 as stated in parliamentary debates, but from the tables of exports since published, we find it stated at £29,495,280, which we will take to be the correct sum, and calling the home consumption under that of 1824, reckon the whole amount manufactured at £60,000,000. Of this sum, we will take £30,000,000 for consumption of the United Kingdom, which leaves £30,000,000 to be disposed of in foreign countries. We find in the official statement of exports from Great Britain for 1825, that £12,138,872 of British produce and manufactures, went to the East Indies, Gibraltar, Jersey, and to different parts of Asia, Africa, and to the British colonies in the West Indies and North America; of which we have reason to believe that three quarters £9,000,000 were cotton goods. Here then is £39,000,000 out of £60,000,000 disposed of among the subjects of Great Britain, and in a trade which cannot be interrupted, if the whole world was at war with England. The exports of British manufactures and produce to Brazil and Portugal, in the same year amounted to £6,262,209, of which no doubt £4,000,000 were in cotton goods. Both of these nations are connected by such strong commercial and political ties with Great Britain, that she will always have their trade as she now has, *on a more favoured footing than any other nation*. The remaining £17,000,000 went chiefly to Germany, Holland, Italy, Turkey and Russia, in ex-

change for such produce of those countries, as could not be disposed of to any other nation ; or else to South America and Mexico, states who are also on the most friendly terms with England, and will naturally prefer her trade to ours, because that country will continue to exchange her cheap manufactures for their commodities to the full extent they may desire, whereas, under the system we are about to establish, *of excluding all articles which can be procured at home*, our trade with South America will be hampered, though perhaps not to the same extent it is with the nations of Europe.

The importation of British cotton goods into this country, must necessarily be very limited under the enormous duties imposed on them, and we shall soon cease to import any, except some few fancy articles, which our manufacturers have not yet introduced. In 1825, we imported \$11,035,028. In 1826 our imports declined to \$7,316,749, of which we re-exported \$1,714,788, leaving for our consumption only \$5,601,961, in a nation consuming, as we have shown chiefly from the calculations of our opponents, \$50,000,000, but as we apprehend a much larger amount. *Yet the Harrisburg convention say there must be more duties imposed on cottons.*

The disposition we have made of the cotton manufactures of England, does not accord with the statements of our opponents, who have often contended, that Great Britain was almost as dependant on us for the sale of her manufactures, as we were on her for the sale of our cotton, and that in sending the material to that country, we lost the benefit which we might otherwise have enjoyed of manufacturing it. It appears, however, from official statements, that of £60,000,000 of her cotton fabrics, about two thirds are consumed by the subjects of Great Britain, and nearly the whole of the residue, either in countries very dependant on Great Britain, or having such relations with her, as renders it almost impossible for any of her competitors to drive her from those markets.

Of our cotton crop of 970,000 bales, it appears that of the surplus which we have to export, 646,139 bales have been shipped to Great Britain from the 30th Sept. 1826, to the same period this year, while of cotton fabrics imported from all countries, we only consumed in 1826, a little *over one sixtieth part of that branch of her industry*, which constitutes about two thirds of her export of produce and manufactures.

The dependance of Great Britain upon this country for the sale of woollens, is also very slight. The import of all sorts of woollens, including hosiery and stuff goods, *from England and elsewhere*, for 1826, amounted to \$7,886,826, of which, deducting the export of \$441,382 left for consumption, only \$7,445,444, while the whole manufacture in Great Britain is estimated at \$220,500,000, of which the export may vary from 5 to £7,000,000 per annum. Our whole importation of cotton and woollen goods for 1826, after deducting the amount re-exported, is \$13,597,704, to

which add for cotton hosiery, thread, and twist, \$551,298, makes \$13,597,704 ; from this deduct about \$2,300,000 importations from other countries than Great Britain, leaves \$11,297,704 for the consumption of the two staples, which form three quarters of the whole value of exports of British produce and manufactures. Here then is the most indisputable evidence of the extreme unreasonableness of our opponents in their complaints, that this country "*is inundated with British manufactures,*" to the ruin of our own manufactures, and to the great injury of the nation, in trading with a country which, as they say, "*takes nothing almost which our soil produces, while she enjoys the prescriptive right of supplying us with all we want, from the greatest to the most inconsiderable manufacture we consume.*"

We have again extended our remarks upon cotton and the trade on which it is dependant, to impress on the minds of our readers the danger we incur of losing our principal markets for that important staple, unless the principles against which we are contending are resisted. It does appear to this committee, that the worth of *this most valuable of all the articles of commerce is not duly estimated.* Spain expended a vast treasure, the lives of thousands of her subjects and destroyed or enslaved millions of Americans, to gain possession of the gold and silver mines of this continent, and was envied in the enjoyment of them by all the rest of the world. But the produce of our cotton, throwing out of the case all other considerations, *is of a greater pecuniary value than the produce of the mines of South America in their most prosperous days, and will, within 20 years, be worth double what it now is, if we can maintain a system of free trade.* It is true, as our opponents say, that this product is not to be found in the "manufacturing states," but it is just as absurd to contend that we do not participate, and very largely too, in the benefits of its culture, as it would be for the people of this city to deny the advantages they derive from the agriculture of our interior, or for the inhabitants of New York state, to assert that they did not profit by a commerce with New England. If this government is to be administered upon the principles of woollens conventions, and with a view to sectional interests, there will be an end to our national union and to our national prosperity.

We think, that by the investigation we have just terminated, we have established the following points :

1. That although Great Britain finds it for her interest to buy most of the cotton she manufactures, from us, while we take her produce and manufactures, yet there is satisfactory evidence, that she is not dependant on us for that article, since in some years she has received the principal part of her consumption from her own colonies, or countries which she can resort to for trade on more favourable terms than any other nations ; and that the cultivation may easily be extended in those countries, to a degree sufficient to supply all her wants.

2. That she finds a sale of two-thirds of her cotton fabrics among her own subjects, and the principal part of the residue in countries to which she can have free access, on more advantageous terms than any of her manufacturing competitors.

3. That such are the advantages of British manufacturers over those of the continent of Europe, that they can undersell those which are in the most advanced state of manufacturing, even if the latter had a bounty on their goods, equal to the present value of the material.

4. That admitting France and Germany could manufacture as cheap or cheaper than Great Britain, we should still be without a sale for our cotton, since in that case, France and Germany would stand in the same relation to us as Great Britain now does, and would be disabled from taking our produce by our refusal to receive their manufactures.

5. That so far from its being true as affirmed by Mr. Clay in 1820, that the maximum of demand for cotton was limited to 453,000 bales, it is a fact, that we have disposed of a crop of 970,000 bales the past season, and the consumption is now increasing at such a rate, as affords reasonable hope, that within 15 or 20 years, there will be a demand for double the quantity we now produce, *unless the intercourse with those nations on whom we must depend for its consumption is interrupted by our prohibitory laws*; on the other hand, we deem it a certain consequence of a non-importation system, *that we shall eventually lose the sale of the largest portion of what we now dispose of in Europe*, and that the consumption may in the end be nearly confined to what can be used for our own manufactures, which could not at present exceed 200,000 bales, if we did not import a dollar's worth of cloth from any quarter.

6. That rice, tobacco, naval stores, ashes, flax-seed, and generally our domestic exports would suffer a diminution of demand from the same causes, though perhaps not to the same extent as cotton.

7. That the existing duties having reduced the importation of the principal staple manufactures, which England has to give in exchange for our produce, (and which so late as 1825, amounted to 21,000,000 dollars) down to 11,297,704 dollars, there is reason to believe that our imports from England will soon fall very much below that sum, although the Harrisburg Tariff should not be accepted by Congress.

SECTION 19th. The extracts the committee have already furnished from the speeches, essays, memorials, and other publications of the leading and most influential advocates of the non-importation and anti-commercial policy, will, we think, satisfy every impartial mind, of a settled hostility on their part, to commerce and commercial men, as standing in the way of the accomplishment of their schemes, and of the expediency, therefore, of representing their pursuits, sometimes as of very little advantage to the country, at others, as even injurious to the national welfare.

From Mr. Everett's speech, at the Boston Woollens Convention, we extract the following,—“advantages from commerce we have, but these are mostly confined in their operation *to the strip along the coast. And what is commerce at best*, depending as it does on the condition of foreign politics? One year the merchant is tempted into the most gigantic speculations by the carrying trade of half the world, and the next, *the grass springs up between the paving stones, at the counting house door.*” Again; “Our statesmen, patriots and citizens, must now look to the great source of wealth, the soil. We must follow the sun and look westward. We want some new spring of prosperity, *whose action will be backward from the coast.*” From one of Mr. Tibbits' essays, we select the following, from many passages, exhibiting similar feelings towards commercial men. “The land is willing to spend and be spent for the general good; but ought not to submit to the dictation of any of its children, to their own prejudice, and to the utter prostration of other and equally important appendages and branches of the same family. No, *the land must not be given to this spoiled child, the shipping interest therein, and allow it to gorge its false appetites, and thereby destroy itself and the whole family.*”

The last extract we shall give, is from the address of the Harrisburg Convention, collected as it is well known, to decide upon a tariff for the Congress, now about to assemble, and whose proceedings, we are told by its friends and promoters, furnished some remarkable instances of their wisdom, *disinterestedness, and moderation.* Of the two latter virtues, we have already exhibited a striking proof in the reasonable demands they make for duties of 57 1-2 to 281 per cent. on woollens, and we will now give another instance, which we think will do equal credit, to their *mildness and moderation.* “The constitution of the United States” say these delegates, “was made for the farmers, manufacturers and mechanics, *not for the merchants; the last being only a small portion of the whole.*” We here have the sentiments, not only of a body of men, selected as the representatives of the party we are opposing, but of two* of the most influential and active delegates, delivered previous to the meeting of that convention. The reader cannot fail to perceive in each of the quotations, a manifestation of the same temper, though somewhat differently expressed. Mr. Tibbits aims more immediately at the shipping interest, which has indeed always been considered a great obstacle to the views of the manufacturers, from the business in which they are engaged, of transporting foreign goods, which interfere with the domestic. The convention, taking a still more extended view of the subject, would exclude the whole profession of merchants from the rights of the constitution, *because they are “a small portion of*

* Mr. Everett was elected a delegate to the Harrisburg Convention, but as we do not perceive his name among the signatures, we presume from some cause or other he did not attend that meeting.

the whole;" while Mr. Everett would send them all westward of the Rocky mountains, *that they may import no more woollens.* This is indeed going beyond Mr. C. J. Ingersoll and Mr. Carey, delegates also of the same convention, and of other conventions formerly assembled for similar disinterested purposes. They only contended, that as Congress had an unquestionable right to *protect commerce, and impose taxes for the creation of revenue, that it of course followed,* that they had a right to *prohibit trade and annihilate revenue, which they proved,* as we have before shown, by the writings and acts of *Jefferson and Hamilton.* Our readers may perhaps be somewhat surprized to hear any class of men pursuing an honest and useful occupation, spoken of in the terms which these gentlemen have thought proper to use, but we can assure them, we could select numerous passages equally extravagant and improper.

We now appeal, not to the merchants, but to the reader generally, whether there is the *semblance of the reality*, in Mr. Everett's description of commerce and the effects of commerce? We are ready to make due allowance for that licence which public men often take, to produce a strong effect, by the introduction of metaphors to illustrate and enforce their meaning, but, here, these rhetorical flourishes are awkwardly forced into a grave discussion, where they do not belong, not to enlighten, but mislead the mind. We are called upon to support a system, *which a vast majority of the nation* think unjust, and injurious to their welfare. The meeting which Mr. Everett attended, was assembled to enlighten us upon the subject. We wanted facts and arguments, and not idle, and worse than idle, declamation.

We would ask how it was possible for the orator himself, who by extending his eye from the place where he stood, could look down upon a city worth at least 150,000,000 dollars, the largest portion of it acquired within his own age, by that commerce he so much undervalues, *and at a period when most exposed to those fluctuations he describes,* and still declaim against commerce, and urge the expediency of abandoning it?

We appeal then to the National party, whether these denunciations of conventions, and delegates to conventions, against commerce and commercial men, are not proofs of the existence of that bad spirit which we referred to, not on the part of manufacturers generally, but of that combination of various interests, who affect to take the concerns of manufacturers under their special guidance and control? That commerce is liable to fluctuations and uncertainties, we all know, but are not the pursuits of agriculture and the occupations of the mechanic, subject to the same evils? Is not the business of the woollen manufacturers subject to fluctuation and uncertainty, or are all those accounts we have seen published of their depression and ruin, exaggerated and false, and only intended to work upon the public compassion? Why then declaim against those evils as attendant upon commerce more than any other pursuit, unless it was intended

to excite a prejudice against a business, which our opponents consider as opposed to their views and interests? To know whether commerce is injurious or beneficial to the nation, look at the results, and not to the speeches and addresses of conventions and delegates to conventions! Look at those masses of wealth which exhibit themselves in all quarters of the country, and more especially in New-England, acquired almost entirely by commerce, and above all to those wealthy manufacturing establishments, (*so advantageous to the country, while depending on their own skill and industry, and so injurious when relying on taxation for their support,*) which are founded mainly on commercial wealth! We are not however going into an argument to prove the benefits of commerce, and to a community like this, we should deem it quite as superfluous as a discussion to the farmers of New England, upon the advantages of sunshine and rain, to the soil which they cultivate. As there does however appear at this moment, such an indifference to the ruinous effects which this prohibitory policy must have on commerce, as to lead one to believe, that it is no longer regarded with that consideration and favour it once enjoyed, and which it still merits, we will give our readers the opinions of two men, quite as well able, we imagine, to comprehend the nature and effects of commerce, as the most ambitious members of the Harrisburg Convention, and both of whom, our opponents *affect to rank* as among the supporters of their principles. The first is from Mr. Webster's speech on the Tariff. "*With me, it is a fundamental axiom, interwoven with all my opinions, that the great interests of the country are united and inseparable; that agriculture, commerce and manufactures, will prosper together, or languish together; and that all legislation is dangerous which proposes to benefit one of these, without looking to consequences which may fall on the others.*" The following is from one of the numbers of the Federalist, written by Hamilton.* "*A prosperous commerce, is now perceived and acknowledged, by all enlightened statesmen, to be the most useful, as well as the most productive source of national wealth; and has accordingly become a primary object of their political cares. By multiplying the means of gratification, by promoting the introduction and circulation of the precious metals, those darling objects of human avarice and enterprise, it serves to vivify and in-*

* We have already furnished irresistible evidence, from both the writings and acts of Hamilton, that he was entirely opposed to a system of forcing manufactures by high duties. The following extract from the Federalist, affords a most clear and satisfactory proof of his views on that subject, and we could give other quotations, had we room, equally decisive of them. "*Exorbitant duties on imported articles, serve to beget a general spirit of smuggling; which is always prejudicial to the fair trader, and eventually to the revenue itself. They tend to render other classes of the community tributary, in an improper degree, to the manufacturing classes, to whom they give a premature monopoly of the markets. They sometimes force industry out of its most natural channels, into others, in which it flows with less advantage. And in the last place, they oppress the merchant, who is often obliged to pay them himself, without any retribution from the consumer.*"

vigorate all the channels of industry, and to make them flow with greater activity, and copiousness. The assiduous merchant, *the laborious husbandman, the active mechanic, and the industrious manufacturer*, all orders of men, look forward with eager expectation and growing alacrity to this pleasing reward of their toil. The often agitated question between agriculture and commerce, has from indubitable experience, received a decision, which has silenced the rivalry that once subsisted between them, and has proved to the entire satisfaction of their friends, that their interests are intimately interwoven. It has been found in various countries, *that in proportion as commerce has flourished, land has risen in value. And how could it have happened otherwise? Could that which procures a freer vent for the products of the earth, which furnishes new enticements to the cultivator of land; which is the most powerful instrument in increasing the quantity of money in a state—could that in fine, which is the faithful handmaid of labour and industry in every shape, fail to augment the value of that article, which is the prolific parent of far the greatest part of the objects upon which they are exerted? It is astonishing that so simple a truth, should ever have had an adversary, and it is one, among a multitude of proofs, how apt a spirit of ill-informed jealousy, or of too great abstraction and refinement, is to lead men astray from the plainest paths of reason and conviction."*

These were the sentiments of Hamilton, and that they had the entire concurrence of his illustrious coadjutors, Madison and Jay, we have ample proofs from their writings, nor *has any evidence been offered*, beyond the assertions of our opponents, that either of them have changed their opinions.

What a contrast is here presented between the extended, liberal, and just views of these eminent statesmen, and the narrow, selfish and unjust notions, of woollens conventions, their contrivers and promoters, who in their mistaken and blind zeal to forward their own interests, would not only trample on the rights and interests of all others, but build up a system so burdensome and so odious to the nation, that it cannot fail eventually to prove destructive even of those objects which they themselves desire to promote.

We hope it will not be imagined that this committee mean to arrogate on behalf of the merchants, any superiority over any other order of the community. They assume no pre-eminence in point of merit or usefulness, over the farmer, planter, mechanic or manufacturer, but consider themselves as standing on a level, in those particulars, with them, and all other citizens engaged in the various occupations of life. They claim no other advantages than what is enjoyed in common by all other classes, and although they employ perhaps twenty or thirty times the capital and labour (we do not pretend to be able to estimate the amount) which the woollen manufacturers do, *they call for no protecting taxes, no bounties to repair their losses or swell their profits, nor have taxes ever been levied for their protection*

and encouragement, beyond what the national security and national welfare demanded. They are willing, like the farmers, mechanics, and all other manufacturers, (but the small portion whose pretensions we are resisting) to stand upon their economy, skill, and industry, and do not consider themselves as having the right, (in order to promote their particular interests) to demand special privileges, which not only impose heavy pecuniary burdens on our citizens, but would destroy the principal sources of the national prosperity.

But what, says Mr. Everett, is this commerce "confined in its operations, *to the strip along the coast?*" It does not, as we have before remarked, come within the scope of our design or the object for which this committee was appointed, to go into a discussion to prove the advantages of commerce, but rather to show the evils which will arise to it, in common with all the other leading interests of the country, from the establishment of the prohibitory system. It is true, *that the worst effects* of this anti-commercial and *anti-national policy*, by closing against us the best markets for our surplus produce, *will fall upon the planters and farmers*, still, all other orders will share in its evils, and among them the mercantile class. It is impossible for us to go into such a detail as will show the effects of this system upon every branch of trade to which it will be injurious, but we will select one interest, on which its bearings may be seen more clearly than any other. We will, then, examine into the effects which have already arisen, or may hereafter arise, from this *non-importation and non-exportation system*, to that branch of business carried on "*upon this strip of coast*," called the navigating interest.

There are, then, owned in this state, and the state of Maine, 505,310 tons of shipping, licenced, enrolled and registered, which in a sailing condition, may be fairly estimated at 45 dollars a ton, or 22,738,950 dollars, and to this sum should be added about one-third, for stores, wharves, ship-yards, and other establishments immediately and entirely dependant on, and supported by ships, making in all, something over 30,000,000 dollars. This tonnage gives employment and subsistence to 25,000 seamen and their families, and at least 150,000 mechanics, labourers, traders, agents, &c. &c., in the aggregate, perhaps 200,000 persons, who are wholly dependant upon the shipping interest. Here, then, upon this miserable "*strip of coast*," which we are advised to abandon, *and which we shall certainly be compelled to abandon*, if our opponents succeed, *is one branch of commerce*, which employs, in two states only, three-fourths of the capital, and double the number of persons, that are said to be engaged in the manufacturing of woollens, throughout the whole of the United States.

But we have only given the tonnage of Massachusetts and Maine. The whole quantity in the United States is 1,423,111 tons, which on the same valuation, would carry the amount to upwards 85,000,000

dollars, seven-eighths of which is owned north of Virginia, and 957,046 tons, or something over two-thirds the whole, in New York and New England, worth upwards of 57,000,000 dollars. The whole of this tonnage employs 70,000 seamen, and supports at least 600,000 persons of all descriptions, of which more than two-thirds are inhabitants of New England and New York. Thus it appears, that in those states, where the prohibitory and anti-commercial policy has its greatest support, this single branch of business employs nearly 50 per cent. more capital, and supports six times as many individuals as the woollen manufacturers of the whole country. But we are told by our opponents that this very interest owes its existence and extension, in a very considerable degree, to this "protecting policy," which we are resisting.* Now, what is the extent of the protection and encouragement which the shipping interest has received? The only steps taken by our government in favour of the navigating interest, have been some countervailing measures, against the acts of other governments, to induce them to place our shipping on a footing with their own, and the object and effect of these measures has been to lower freights, by increasing competition. Now this is precisely the reverse of what our opponents have in view, since it is their object to diminish and to destroy foreign competition, and thus make the nation pay an immense addition upon the prices of some of the first necessities of life.

We are told, however, very gravely, in the address of the Harrisburg Convention, *that the "coasting trade is prohibited to foreigners,"* as an evidence of the great benefit derived by the shipping interests, *from the protecting system!*† We believe it is true that such a law exists, and it is equally true, that the merchants have derived as much advantage from it, as the southern states do, or have done, *from the protecting duties on cotton† and tobacco,* or that the planters of Cuba

* Extract from Mr. Webster's Speech upon the Tariff in 1820:—"Let it be remembered that our shipping employed in foreign commerce, has, at this moment, *not the shadow of government protection.* It goes abroad upon the wide sea to make its own way, and earn its own bread, in a professed competition with the whole world. *Its resources are its own frugality, its own skill, its own enterprise.* It hopes to succeed, if it shall succeed at all, not by extraordinary aid of government, but by patience, vigilance, and toil. *This right arm of the nation's safety, strengthens its own muscle by its own efforts, and by unwearied exertion in its own defence,* becomes strong for the defence of the country. No one acquainted with this interest, can deny that its situation, at this moment, is extremely critical. We have left it hitherto to maintain itself or perish, *to swim if it can, and to sink if it cannot.*"

† Extract from Mr. Lawrence's Speech at the Boston Woollens Convention:—"He would ask the distinguished Senator from South Carolina, who was using his influence against the American System, in his own State, if it was deemed unconstitutional to put a protecting duty on cotton, amounting to a prohibition?" We answer, that the duty on cotton was imposed before the cultivation commenced, and was not considered as a duty of protection. If, however, it is to be drawn into a precedent, and considered as a protecting duty, we presume to say, *the planters of the south will cheerfully agree to the same protecting duty on woollens.* In 1790, cotton was worth upwards of 30 cents, and the duty was 3 cents a pound, amounting at the utmost, to 10 per cent. This then is the protection granted to a staple, which adds more to our national wealth, than any other product of our soil.

would from protecting duties imposed on the importation of sugar and coffee, from Great Britain, into that island. That such arguments should ever be urged, to reconcile southern planters or northern shipping merchants to an enormous taxation and an eventual loss of their business, may, to some of our readers, appear extraordinary, not to say absurd, but we can assure them, that they have been repeatedly dwelt upon by some of the most zealous and ingenious of our opponents, and we must confess we have, as yet, *met with no stronger ones in favour of the "American System."*

Every man of common information will acknowledge, that there never was a period when our coasting trade could be carried on by foreigners in competition with our own people; and as to the shipping in the foreign trade, our government has always been ready to admit foreign ships on equal terms with our own, when foreign nations would admit our shipping on the like footing. Such in fact are the terms we are now upon with all the commercial nations of Europe, who can interfere with us. The competition between foreign ships and ours, particularly the British, has now an unfavourable effect on the business of our ship owners; and within ten years, freights have, at particular moments, been reduced 25 to 33 and one-third per cent., in consequence of the resort of foreign ships to the middle and southern states. But what, under those circumstances, was the conduct of the ship owners? Did they call for 20 or 30,000,000 dollars bounties to enable them to sustain this competition? No; they suffered immensely by the reduced rates of freights, for several years, till by the practice of more economy in the sailing of their ships, and more skill in their construction, they overcame the difficulties in which they were involved. They have, now, in a considerable degree, driven away their competitors, *not however, by legislation, or by taxes imposed upon their fellow citizens, but by good management*, and though their profits have been, and are now, much less than the dividends of well managed manufacturing incorporations, they are content with them. How, then, will this navigating interest, which is only one branch of that commerce which the supporters of the exclusive and non-importation policy speak so contemptuously of, be injured by the "American System?" We maintain, that it will suffer in common with the whole country, from that heavy taxation imposed upon some of the leading articles of consumption, as well as from the other evils incident to such an unwise policy; but the greatest injury it must sustain, will be, 1st, from a diminution of our export and import trade, in consequence of our refusing to take in exchange for our productions, the manufactures and productions of other countries; and, 2nd, from those counter-vailing measures foreign nations may adopt, in retaliation of our non-importation laws.

1st. With regard to a diminution of exports, we have already proved in Section 16th the average exports from 1796 to 1811, ex-

cluding two years of embargo, with a population of 4 1-2 to 7 1-2 millions, exceeded the average of the last six years (excluding the speculative one of 1825) by 3,252,402 dollars, although we now have more than double the population and wealth we had at the former period. But if we compare our present exports with some other years, the difference is still greater.

The average amount of exports from 1805 to 1807, three years, was 101,815,378 dollars, against the average of the last six years, excluding 1825, of 73,083,137 dollars. It is true that much of the trade we formerly possessed, arose from the wars in Europe, which threw the commerce of some of the belligerents into our hands, but on the other hand, when it is considered what an immensely valuable staple we have added to our exports, principally within the last 20 years—that South America has opened to us a very extensive trade, and that we have more than doubled our population and wealth, it may be reasonably inferred, had we kept to the moderate duties established soon after the organization of our present government, that our exports would have been at least one half more than they now are.

Under a system of high duties, all branches of commerce have been kept within much narrower limits, than they would have been under more moderate rates; and with some countries, owing to that cause principally, our commercial intercourse has almost entirely ceased.

Let us take for instance the trade with Spain, Portugal, and their European colonies. The imports from Spain from 1795 to 1801, averaged \$1,983,671, and the exports to that country averaged \$2,787,189. When we come down to a later period 1809 to 1813, our exports, some years, were 8,000,000 to \$9,000,000, but as a considerable portion of them were for the consumption of the British armies, we do not take those years into our account. What is the state of our trade with Spain, at this moment? The whole amount of exports to Spain and her colonies, Teneriffe and the Canaries in 1825, was only \$273,091, and in 1826, \$259,051, and the imports \$743,361, in the former year, and \$838,516, in the latter. To Portugal and her European colonies, Madeira, Fayal, and the Cape de Verds, our exports from 1795 to 1801, amounted some years to more than a million of dollars, while in 1826, they had fallen to 313,553 dollars. It should be observed, that during most of the time we have taken to shew the extent of our export trade to these countries, they were in a state of peace, and it cannot therefore be alleged, that the decline in this commerce, has been caused by a change from war to peace. At the time those nations were under the dominion of France, our exports were more than three times the average we have taken. What then are the chief causes of this almost annihilation of trade, with 14,000,000 of people, who produce various articles suited to our wants, and in return require the productions of this country for their consumption?

We admit, that the poverty and unsettled state of those countries, has had something to do with this diminution of demand for our produce; but as they must still consume 150,000,000 or \$200,000,000 worth of provisions, and as what we exported were mostly articles of the first necessity, they would be less affected in their consumption, than the luxuries and superfluities of life. We say, then, the loss of this trade, is to be imputed principally to the excessive duties imposed on the staples of those countries, which by lessening their consumption among us, deprives them of the means of purchasing our staple productions. We shall, however, have a better understanding upon this point, by comparing the duties imposed in the tariff of 1792 and the existing one.

In 1792,	Salt paid 6 cents a bushel.	It now pays 25 cents.
	Brandy, 8 to 10 cents a gallon.	Do. 38 to 42 cts.
	Wines, 10 to 18 do. do.	Do. 40 to 100 cts.
	Fruits, 5 per cent.	Do. 3 to 4 cts. a lb.

or about 30 to 40 per cent.

We are aware the rates of duty were raised during the period we have taken, but still they were very moderate, compared with the present ones; and had they been continued, we should at this moment have been able to dispose of several millions of the products of the middle and Eastern states, and received in return the cheap and wholesome wines of these countries, as a substitute for the high priced and poisonous domestic spirit, which is so freely used by our people. *The moral effect, therefore, would have been more important to our welfare, than the millions of dollars that would have been saved to the nation.*

We here have another practical illustration of the inevitable result to which the principles of the "American System," when carried to the extremes our opponents advocate, will bring the most important branches of our commerce.

Let us now examine the effects of the non-importation and non-exportation policy, upon the tonnage engaged in our foreign trade, which many of our opponents contend has been as much benefitted by the importation of manufacturing materials, as it has been injured by the diminution of those exports and imports, which have been affected by the "American System." The shipping employed in the foreign trade, continued to increase from 1793 down to 1810, when it reached its greatest height, 984,269 tons. It is now reduced, according to the last return, to 700,787 tons. It will be said by our opponents, that this decline in our shipping arises from our having lost most of the carrying trade, which we formerly engaged. We have already furnished some evidence that the carrying trade is still very much engrossed by this country and Great Britain, in addition to which we have many new sources of commerce opened to us, and have added immensely to the business of transporting, by the extended cultivation of cotton. Let us now see whether our tonnage de-

clined after the peace. In 1810, we had 984,269 tons. From 1811 to 1813, while we were at war with Great Britain, it diminished to 674,853 tons, but after the peace with Great Britain, notwithstanding the resumption of their navigating business, by some of the nations of Europe, it began to rise again, and in 1815 had advanced to 854,294 tons. In 1816, the protecting system commenced, and from that period the tonnage employed in the foreign trade has been on the decline, and there are now 153,507 tons less than in 1815. Here is the evidence of a very great decline in our foreign shipping, and it is still more striking, when it is considered that we have added during this period more than four millions to our population.

It is contended again by the supporters of the prohibitory system, that the encouragement to our manufactures affords ample compensation to the shipping interests, for what they may lose in one direction. 1st. By the immense increase of our coasting tonnage; and 2nd, by the imports of wool and other materials used in the manufacture of woollens.

It might readily be inferred from the assertions of our opponents, that nearly our whole coasting tonnage was employed by them, and had been brought into existence and supported by the transportation of such manufactures as owed their extension to the tariff of 1816. But it should always be borne in mind, that *only a very small proportion of the various manufactures of this country owe their establishment and success to high duties,* nor do they now stand in need of them*, as is evident from their having succeeded, when the rates on most articles were not more than one-fifth to one-third of what they now are. Of all the manufacturers of the United States, nine-tenths, at least, are as much injured by the prohibitory duties as the other classes. The coasting trade, therefore, can derive very little support from the few which have been added to the manufacturing class by the protecting system.

The increase of population in the western states, and the occupation they have furnished to our shipping, and which surely can have nothing to do with the system of high duties, unless it may be to lessen that employment, will alone account for the whole addition to our coasting tonnage; and yet with all that aid we shall hereafter show *that this branch of business has not increased any thing near so fast as before the high duty system*.

We have before shown, that of the 629,000 barrels of flour shipped to New England from the southern and middle states in 1825, only 22,916 could be for the consumption of the woollen manufacturers dependant on the high duties. The article which gives most employment to the coasting tonnage, as depending on domestic man-

* There is a country, not undistinguished among nations, in which the progress of manufactures has been far more rapid than in any other, *and yet unaided by prohibitions or unnatural restrictions. That country, the happiest which the sun shines on, is our own.*"—Mr. Webster's Speech on the Tariff in 1820. This is the answer from Mr. Webster to an inquiry made by Mr. Clay, whether there ever was a country in which manufactures succeeded without prohibitory duties?

ufactures is cotton. Let us then examine what portion of the 375,000 bales transported coastwise this year, is for the account of the manufacturers. The whole quantity purchased and imported by them, does not exceed 125,000 bales; now half this quantity would have been imported if the duties on cottons had never been raised beyond 15 per cent. The 250,000 bales, which have been re-shipped to Europe, and that came here as a remittance for payment of provisions and manufactures* consumed at the south, occupy more tonnage than all the manufactures or materials of manufactures transported coastwise, which owe their existence to the protecting tariff of 1816.

We will now examine more particularly the statements of our opponents as to the increase of the coasting trade, *in consequence of the protective system*. From the Harrisburg Address, we extract the following:—"The protection of domestic industry *has not only built up the commerce and navigation of the United States, but continues to increase both*. Again—"It (the protecting system) has probably added 50 per cent. to the internal and coasting trade within the last five years." That the protecting system has not built up our commerce and navigation, has already been shown, by the decrease of our foreign tonnage since 1815, from 854,294 to 700,787 tons, and by a diminution of our exports below their amount, when our population and wealth were not half so great as they now are. The decline of our exports since the protecting system began to operate, is very striking. In 1817, we exported 87,671,569 dollars; in 1818, 92,281,133 dollars; while in 1826 our exports had fallen to 77,595,322 dollars. This decrease in a country which has added 3,000,000 to her population within the time we make the comparison, is one of those signs of a declining trade, *which cannot be mistaken*. The other assertion, that the coasting and internal tonnage had increased 50 per cent., is refuted by the address, or by the report annexed to the address, in which it is stated, and truly so, that the enrolled and licensed tonnage of 1821 was 679,062 tons, and in 1826, 722,323 tons, making an increase of 53,161 tons in 5 years, *or 8 per cent. instead of 50 per cent.* Any addition to the steamboat tonnage of the Western States, if that is what is meant by "internal trade," can have nothing to do with the "American System." The prohibitory policy has lessened the increase *by diminishing the foreign demand for their staples*.

Let us now examine another statement, made by Mr. Lawrence, at the Boston Woollens Convention. "With regard to the declining

* It will perhaps be said, that the sale of our "protected manufactures" to southern people, led principally to the shipment of the 250,000 bales of cotton coastwise, and which has been re-shipped. To this we answer, *that not one-tenth part of the amount of northern fabrics sold at the south and west owe their existence to the Tariff of 1816; and what additional goods are made in consequence of the prohibitory duties, would be replaced by the cheaper imported fabrics; and thus the southern purchases would be increased, instead of being diminished, under a more moderate tariff, and consequently we should receive a still larger quantity of cotton than we now do, for re-shipment.*

of commerce, the mere coasting tonnage, amounts to about as much as the whole tonnage of the United States did in the time of the golden harvest, as it was called." The golden harvest of our shipping, or the period when we had the most tonnage, was in 1810, and Pitkin states it at 1,424,781 tons, the coasting tonnage at this time is 722,323 tons, or about one half *instead of almost* as much. Again, observes Mr. Lawrence, "What had produced this wonderful increase in the mere coasting trade, *that was thought by many of no consequence?* Was it not principally and mainly owing to manufactures?" We answer, that there is no man of common intelligence and reflection, who ever considered the coasting trade of no consequence. It has always been considered as one of the leading interests of the country, and it employed nearly as much capital as the woollen manufacturers now do, *before the protecting system was established.*

The second question, whether our coasting had not been principally and mainly increased by manufactures, or by the protecting system, as we understand him to mean, we shall answer by official statements. The protecting system came into operation in 1817, and the returns of shipping for that year, give 590,186 tons of enrolled and licenced, and for 1825, ending 31st December, 722,323 tons. Here is an increase of 22 1-2 per cent. in 9 years.

We will now take the same term of years immediately preceding our war with Great Britain. In 1804, the enrolled and licenced shipping was 317,536 tons; in 1812, 477,971; *giving an increase in nine years of 50 1-2 per cent.* and during this period *we had an embargo of two years.*

It appears then after all those exaggerated statements which have been published, of the advantages of the "American System" to the coasting trade, *that it has not increased half as fast as it did under the free trade system.*

We now come to the benefit derived by the shipping interests, from the importation of the materials used by the woollen manufacturers. "A great deal has been said" observes Mr. Lawrence, "about those measures injuring commerce; but many of our most intelligent merchants had given up the idea. *They were satisfied that the freight of the raw materials used in the manufacture of woollens, would amount to more than the freight on the woollens imported into the United States.* He was glad the bill before Congress at the last session did not pass, *as it was not such a one as was required,* and they would now get a better one."*

The imported materials used in the manufacture of woollens, are indigo, fustic, logwood, soap, sumac, woad, madder, and various chemicals. As this list has probably passed through some 500

* The bill which passed the House last session established the duties on woollens at 38 to 139 per cent. The better one, which the Harrisburg delegates have recommended to Congress, calls for rates of 57 1-2 to 281 per cent. and yet they deny that they are monopolists, or even advocates for prohibitory duties!

speeches, essays, memorials, reports, addresses of conventions, &c. &c. it has no doubt received all the additions which could with any propriety be made to it, and we may therefore consider it as comprehending all the foreign articles used by the manufacturers; as to the indigo, fustic and logwood, they are mostly procured in exchange for our produce, and would come here in the same quantities they now do, if the protecting system had never existed. What the manufacturers require is but a small portion of what we receive, and the shipping interest rather lose than gain by the sale in this country; since they are in consequence deprived of the benefit of transporting the goods to Europe, or where else they may be wanted. Still, however, we will allow 500 tons for these articles. The oil, woad, sumac, madder and chemicals, used by the 25,000 manufacturers, (added to the former number by the protecting system) would not occupy more than 3,000 tons. The 1,500,000 to 2,000,000 pounds of wool, at 1,000 pounds to a ton, would employ 2,000 tons, making in all 5,500 tons, but lest we should have omitted some articles, or under-rated others, we will allow 7,000 tons. Now all these articles must be purchased abroad with the produce of our soil, so that in addition to the tonnage employed in importing those materials, there would be a quantity of shipping engaged in exporting the produce which is to pay for them. The wool, in 1826, cost 449,735 dollars, and if we reckon the whole of the imported materials at 1,000,000 dollars, it is a high valuation. Suppose then, that the produce sent abroad to pay for the wool, &c. &c. should require 7,000 tons more, we should then have 14,000 tons of shipping employed by the woollen manufacturers, in the importing and exporting trade.

The import of woollens in 1826, was 7,888,826 dollars, and the committee think they could not occupy less than 10,000 tons, *and as they must be paid for with the products of our soil, and cannot be procured in any other way*, we will allow the same proportion of tonnage as we did for the manufactures, which would make upwards of 55,000 tons; to which adding the 10,000 tons, we have 65,000 tons employed in the importation of woollens, and in the exportation of products to pay for them.

We admit that this estimate is founded partly upon conjecture, but it serves to show the relative quantity of shipping employed by the manufacturers on the one hand, and the importers of foreign woollens on the other.

But this statement only shews the tonnage employed in the present reduced state of the woollen importations, while subject to the heavy charges of 57 per cent.

Now as we are comparing the protecting system with the free trade system, we must suppose the duty to be 15 per cent., and in that case we might and should probably import double the quantity we now do, which would employ 130,000 tons.

We have proved, then, from official returns, in the first place, that

so far from our shipping interest having been benefitted by the protecting system, the foreign tonnage has declined since 1815, from 854,294 to 700,787 tons, while there is reason to believe that a continuance of the free trade system would by this time, have raised it to 1,000,000 tons.

2. That the coasting trade has increased 22 1-2 per cent. since the commencement of the protecting system, being a period of nine years, *while during the nine years which preceded the protecting system, it increased 50 1-2 per cent.*, thus affording the most undeniable evidence of the injurious effects of this anti-commercial system, upon this very important branch of commerce. Had the coasting tonnage increased in the same ratio it did under the free trade system, we should now have 888,229 tons, employed in the coasting trade, and the difference between that sum and our actual tonnage 722,323, or 165,906, is the loss which this interest has sustained by the "American System."

3. That the woollen manufacturers employ 14,000 tons in the importation of their materials for manufacturing, while the importers of foreign woollens employ 65,000 tons, and would employ 130,000 tons, were the duties reduced to the former rates.

Can any one, then, deny that we have offered the most convincing testimony of the mischievous effects of the prohibitory system upon the business of the ship owner; or, that judging from the past, that he will not suffer still more when the principles on which it is founded shall be carried to still greater extremes?

It is well known that an over-supply of tonnage, be the excess ever so small, will lower freights to such a degree, as to be ruinous to the ship-owner, and such must be his situation, while our export and import trade are constantly declining, and such has been the case, during part of the time, since the protecting system was established.

Let the reader observe, that this shipping interest, which amounts to 85,000,000 dollars, *is but a small portion of the capital involved in commerce, which will be deeply affected by this anti-commercial policy.* The business of the importing and exporting merchant, the venders and dealers in foreign goods and in such domestic productions as are exported, the owners of various establishments dependant on commerce, as well as the capitalists who depend upon it for the profits of their stock, all suffer from the "American System," somewhat in the same degree with the ship owner, though its effects may reach him in a less imposing way. What may be the amount employed in all these concerns, we cannot pretend to estimate, but it will be within bounds to say, that the capital in *this state alone, is greater than the sum employed* by all the woollen manufacturers in the Union.

2nd. Having attempted to show in this and the preceding sections, the effects which this prohibitory policy had produced on our agriculture, commerce, and navigation, by the diminution of the export

and import trade, as well as of our tonnage, we now proceed to the consideration of the tendency of this system to provoke retaliatory measures on the part of foreign nations, who may suffer by these prohibitions. As to the right we have to prohibit the importation of foreign goods, it will not, of course, be doubted; it is therefore, as regards other nations, a mere question of expediency. That we shall lose the largest portion of the export trade we now possess,* is just as certain as that the excessive duties now proposed will stop the importation of the principal European staples, which we have heretofore received in exchange for our produce; but this would take place gradually, as commerce forced out of its natural channels should form to itself new ones. The countervailing measures, therefore, will only hasten that commercial non-intercourse *which at all events, must result from the prohibitory system.*

The nation with whom our commercial relations are the most important, is Great Britain, both on account of the immense quantity of produce which she takes from us and consumes; and then again, because she gives us in return cheaper manufactures than we can obtain elsewhere. Now, as one of the leading maxims of the advocates of the "American System," is to impose the heaviest duties *on those foreign fabrics which come to us the cheapest*, BECAUSE THEY INTERFERE MOST WITH THE DOMESTIC MANUFACTURES, it follows necessarily that the imports from Great Britain will be more affected than those of any other country.

As our opponents have taken great pains to excite a prejudice against this branch of commerce, and to represent Great Britain, as not taking freely, and on favourable terms, the produce of our soil, it is important to know on what footing our trade with that country now stands.

1st, The extent of this trade. 2nd, The duties imposed by our tariff on British goods. 3d, The duties levied in England upon American productions.

1st. We find from official returns, that of the domestic produce

* "If we are unwilling to receive foreign manufactures, *we cannot reasonably suppose that foreign nations will receive our raw materials; we may force other nations to seek an inferior market for their productions, but we cannot force them to become buyers when they are not sellers, OR TO CONSUME OUR COTTONS WHEN THEY CANNOT PAY THE PRICE IN THEIR OWN FABRICS.* We may compel them to use the cotton of the West Indies, or of the Brazils, or of the East Indies, or the wheat of the Mediterranean, *an experiment in itself sufficiently dangerous to some of our most vital interests; but we cannot expect them to carry on with us a ruinous trade, when the profit is all on one side.* Nations like individuals, will pursue their own interests, and sooner or later abandon a trade, however fixed may be its habits, *where there is no reciprocity of benefit.*"

This is an extract from the Salem memorial, to which we have before adverted. The inhabitants of that town, are both merchants and manufacturers, but they do not believe it either just or necessary, to destroy or embarrass commerce, that manufactures may flourish; we wish that those persons, who are really desirous that manufactures should prosper, would look to the opinions of such men, and not to extravagant and visionary theorists and ambitious politicians, who either misapprehend the true interests of the manufacturers, or are willing to use them as an instrument for the promotion of their personal views.

exported from 1823 to 1826, four years, \$116,256,486 was shipped to Great Britain and her colonies, and \$101,548,827, *to all the rest of the world*; yet we are told by many of the most respectable and accurate writers and orators, in favour of the American System, and by some of those whom we have quoted, "*that England will take almost nothing which our soil produces.*" Now the only inducement Great Britain has to take this produce in preference to buying it elsewhere, is our willingness to receive her produce and manufactures in exchange for it; nor will she find it for her interest to receive our productions on any other terms; but the duties are now so high as to lessen every year our importations of British goods, and our opponents contend for such additions as will almost entirely exclude the most important articles.

2nd. As to the duties on imported goods, it is impossible for any one by a mere reference to our tariff, to form any judgment of what they amount to, on some of the leading articles. Let us examine the rates on the principal imports from Great Britain:

Cotton manufactures pay 29 to 100 per cent.

Woollen do. 38 do.

These two articles, constituted nearly 5-8 of the value of our importations from Great Britain in 1825 and 1826.

We have already shown, that the whole amount of cotton goods imported *from all quarters* in 1826 for consumption, was only \$5,601,961, of which, \$4,024,344 were coloured and printed, and on them the Harrisburg Convention recommends such a further duty as will exclude all, except a few unimportant articles, not yet manufactured here.

The import of woollens for consumption has been reduced to \$7,445,444 from all countries, and should the proposed duties of 57 1-2 to 281 per cent. or *one fourth of the average of these rates*, be granted, this article will be excluded, except a few fine and mixed goods, which our manufacturers have not yet attempted to make.

Linen goods, and Hardware generally,	pay	29 per cent.
Glass Ware,	"	34 do.
Earthen Ware,	"	23 do.
Carpeting,	"	30 to 55 do.
Window Glass,	"	30 to 120 do.
Iron Bolts, and Bar Iron, 30 dollars per ton.	"	60 to 75 do.
Iron Rods,	"	80 to 90 do.
Plated and Japanned Wares and Saddlery	"	29 do.
Paper Hangings,	"	46 do.

To this list might be added some other articles, but as they are mostly excluded by the prohibitory duties levied upon them, they are omitted. As by far the largest proportion of our imports have been in cotton and woollen goods, the committee believe the average duty on the whole importation for the two last years, cannot have been less than 45 per cent. and when to that duty the other charges of

19 to 30 per cent. (according to the bulk of the articles) are added, it will be seen at once, what immense protecting charges are enjoyed by the domestic manufacturers.

3d. Let us now see what are the duties paid on the importation of American produce into Great Britain. Our whole export of domestic produce to Great Britain and her colonies in 1826, amounted to 25,842,299 dollars, and consisted chiefly of the following articles.

Cotton, paying a duty of	-	-	-	6 per cent.
Ashes, paying a duty of	6 shillings sterling,	or	133 cents per cwt.	
or about	-	-	-	25 to 30 per cent.
Tar,	-	-	-	28 cents per bbl.
Rosin, 4s. 9d. per cwt.	Turpentine, 4s. 4d. per cwt.	Flax-seed,		
5d. per bushel.	Rice, 15s. per cwt.	The aggregate of these articles was \$16,519,836, and as the principal amount paid only 6 per cent., the average of the duties on the whole importation, was not over 8 per cent. Tobacco, amounting to \$2,774,443, paid 3s. per lb. duty, but it should be recollected, that this is not a protecting duty, for the purpose of keeping out our produce, and we only suffer from it, therefore, as it tends to diminish consumption. The two articles which pay a protecting duty, are Ashes and Rice, with a view of aiding their colonial and East India possessions, but neither of them are of much importance to our trade. The remaining articles to make up the whole export, were chiefly provisions from the Northern and Middle States, for the British colonies, and which were admitted on such favorable terms, as gave us nearly the whole of that trade, till it was closed against us.		

What a complete refutation does this investigation furnish, of those complaints made by Mr. Tibbits, Mr. Stewart, Mr. Carey, and others, against "*British cupidity*," and "*British illiberality*!" Let the reader who is disposed to look at this question with impartiality, compare the duties imposed by our tariff on British goods, with those which Great Britain imposes on our staple productions, and say if we have any reason to complain? There never was a commerce carried on with more advantage to a nation, than we derive from our trade with Great Britain, and the time will come, if we should be deprived of it, when the nation will look back with surprise, and still more regret, upon the indifference which is now shown in the most commercial sections of the Union, for its preservation.

But it is contended that Great Britain refuses our lumber and bread-stuffs. It is true, that while the Corn Laws remain as they now are, we cannot send to that country our flour and wheat, unless in seasons of extreme scarcity, but there can be no question, that those laws will be so modified within 6 months, as to admit our grain in years of moderate scarcity, nor is there much doubt, that in the course of a few years, they will undergo such further alterations, as will enable us to supply her with immense quantities of grain of all sorts, and thus serve, more than all the other foreign markets we now have, to

maintain the value of a great staple, on which millions depend for support. The consumption of bread in England for one week, would require from us more flour than the average of our annual export for some years past.

The timber monopoly may also be modified, but it is of no great importance, whether it is, or is not, as the Baltic States, from their vicinity, would undersell us in that article.

But we are told in an address from the Pennsylvania Harrisburg State Convention, signed by Mr. C. J. Ingersoll, Mr. Carey, and others, that, "every member of Congress must be sensible that abstract speculations on this subject, are futile, while even those principal kingdoms, with which the United States have most intercourse, *particularly Britain, France, Spain,** and their dependencies, refuse the proffered terms of liberty and equality, and inflexibly maintain their own manufacturers, by excluding not only the MANUFACTURES, *but the produce of this and all other countries,* EXCEPTING SUCH AS SERVES THEIR OWN OCCASIONS." With regard to France, England, and Spain, not receiving our manufactures, we may say, that such a prohibition does us no injury, since we have none to send them, which they cannot purchase cheaper at home or elsewhere. Of the export of our domestic produce, amounting in 1825 and 1826 to 120,000,455 dollars, *Great Britain* took 66,215,286 dollars, or nearly nine-sixteenths of the whole, and France took 18,717,827 dollars. *The export trade to Spain has been annihilated, as we have before shown, by the high duty system.* France, *acting upon the principles of the "American System,"* refuses the manufactures of other countries, but it is not the case with England. The latter country, since the free trade system, came into operation, admits manufactures on much lower duties than we do.†

* So much do these conventions differ from each other, that in the address issued by the general Convention at Harrisburg, the ruin of Spain is attributed to the *freedom of trade*. "The moral and political degradation, which has so long existed in Spain, and Portugal, *was caused by the freedom of trade,* which ruined the manufacturers." Here again, the spirit of the "American System" as it is falsely termed, exhibits itself. Free trade is not only ruinous to manufacturers, but to the political and moral welfare of a nation. It follows then in the minds of these woollen delegates, that commerce must be destroyed, that we may become *a moral and a manufacturing* people. That it is the intention of our opponents to destroy commerce, is sufficiently apparent from their opinions and proceedings, but as many of them have denied it, we are glad to have a more open confession of their views.

We will now give the opinion of a statesman who differs as much upon this point from these delegates, as we have shown him to do in his other views of the question we are discussing. "The poverty and unhappiness of Spain have been attributed to the want of protection to her own industry. If by this, it be meant that the poverty of Spain is owing to bad government and bad laws, the remark is, in a great measure, just. *But these very laws are bad, because they are restrictive, partial and prohibitory.* If prohibition were protection, Spain would seem to have had enough of it." Webster's Speech upon the Tariff.

† In contradiction to these facts, it has been asserted by Mr. Tibbits, in an essay, sent to this committee to enlighten them on the subject we are discussing, that "of the few manufactured articles admitted (into Great Britain) the duties are rarely less than 50 per cent., and from that to 150 per cent. Cotton goods, of which *there are some not prohibited,* pay duties of from 50 to 75 per cent. Earthen Ware, 75 per cent. Glass

Woollens, China, and Earthen Ware,	at 15 per cent.
Cotton Goods,	20 per cent.
Cast Iron Manufactures,	10 per cent.
Wrought Iron, Glass, Steel, and Tin,	30 per cent.
Silk Goods,	30 per cent.

And many other articles at much lower rates.

It is the condition, however, on which these nations receive our produce, that is objected to by these woollen delegates, who assemble so often to enlighten Congress and the nation, upon the principles of the "American System." "*They will only take,*" say they, "*such produce as serves their own occasions !*" What would these founders of a new policy have? Do nations trade with each other to obtain articles, *which will not serve their own occasions?* Now we differ so much from our opponents, that we should esteem a commerce, resting on any other principle than the one they denounce, as of little or no value, since a trade, *which was not advantageous to both parties, could not long exist.*

But, say the advocates of non-importation, England requires our productions, and cannot obtain them elsewhere. We have already furnished evidence enough, that there are other countries from whence she can obtain the great staple, which is most important to her welfare and ours—we mean cotton.

From India she can obtain rice, and in exchange, too, for those manufactures which we are about to exclude. From her own colonies, and the Baltic, flax-seed, ashes, and naval stores. Tobacco is the only article on which England is dependant on us for a supply, but it would require no great effort on her part to extend and improve the cultivation of it in India to such an extent as to deprive us of our best market for that important staple. It is one of the effects of the system we are resisting, to raise up agricultural, as well as commercial rivals among those nations who are now inactive for the want of that stimulus, *which we derive from our immensely valuable foreign trade.*

We would appeal, then, to the farmer, the merchant, the ship owner, the mechanic, the labourer, and to the just and liberal minded manufacturer himself, whether it is any thing short of madness to impose such restraints and prohibitions as cannot but prove destructive to a branch of commerce, which gives comfort and support to millions of our fellow citizens?

It appears, then, from the most indisputable evidence, so far from Great Britain refusing to take our products freely, that, for the two last years, the exports of domestic productions to that country and her

plates, 80 per cent." It is true, that in a note, he observes, "the address was written previous to the late modification of the British Tariff." Why not, then, in the same notice, say what those alterations were? Or, why not, in his subsequent essays, state what the duties actually were? But his account of the duties on importations into England, would still have been incorrect, had not the tariff he referred to, been modified.

colonies, *have exceeded in amount the aggregate of our exports to all other countries, by more than one-fifth*, and that, with the exception of tobacco, she admits our produce *at an average of less than one-fifth of the duties which we impose on her produce and manufactures.*

Notwithstanding, then, the extremely favourable terms on which we possess this trade, and its immense importance to the nation, our opponents contend that British manufactures and produce must be subjected to still higher duties. But will not this prohibitory system, which cannot fail to deprive Great Britain of most of the advantages she now enjoys from an intercourse with us, be met on her part with counter restrictions and prohibitions? The committee apprehend that such will be the effect of it. What is the language of the British ministers, (who have made such great and useful reforms in the commercial policy of England) to the people of that country? Why, that England will admit the goods of all nations on moderate duties, and their ships on a footing of reciprocity, *and in return*, that they will stipulate with those nations for the admission of British ships, produce, and manufactures, on equally liberal terms. This is the spirit of the free trade system, now acted upon in Great Britain. These are the terms on which the trade of England is offered to all the commercial nations of the world, and with the exception of France, they have been generally accepted, and in consequence, the foreign commerce of England has been greatly extended, and such always must be the effect of a liberal policy, on an intelligent, industrious, and enterprising population.

The French government, in consequence of the prejudices which yet exist in that nation against a free trade, and still more probably, from the influence of various classes, interested in the system of monopolies and exclusion, have rejected the terms offered by Great Britain, and there is, therefore, as we have before shown, less commercial business between the two richest nations in the world, than we transact with the island of Cuba.

Why, we would ask, will not Great Britain act upon the same principle in regard to this country, when we have excluded her principal staples? Why should she not impose discriminating duties on our produce, and a tonnage duty on our ships? What interest can she feel in maintaining any commercial relations with us, when we shall have deprived her of nearly all the advantages of commerce?*

* The radical principle of all commercial intercourse between independent nations, *is the mutual interests of both parties.* It is the vital spirit of trade itself; nor can it be reconciled to the nature of man, or to the primary laws of human society, that any traffic should long be willingly pursued, *of which all the advantages are on one side, and all the burdens on the other.*—President's Message, Dec. 4, 1827.

These are opinions worthy of the chief magistrate of an enlightened nation; and what a reproof do they administer, to the narrow and illiberal views of our opponents?

The committee are not speculating upon improbabilities. This is the course which Great Britain has actually adopted in similar cases, and it is the course, as appears to this committee, which the British ministers have pledged themselves to adopt towards all nations who will not trade on a footing of reciprocity.* Indeed, with regard to us, this countervailing warfare has already commenced, as has been evinced by the conduct of the British ministers in the negotiation of the colonial trade. What were the principal objects of Mr. Gallatin's mission to England? To regain the West India trade, and renew our commercial treaty. He has not succeeded in either. The West India trade is withheld from us on terms upon which it was some years ago freely offered, and the treaty is renewed *indefinitely*; leaving it in the power of Great Britain at any time, on giving twelve months' notice, to impose such restrictions and prohibitions as will entirely put an end to the most valuable trade we enjoy. A commerce, we repeat, which is more important to preserve, *than all which we have with the rest of Europe.*

But, say our opponents, *we can retaliate*, and that, we believe, is the end which many of them have in view.† But though the state of things which must arise out of such commercial warfare would

* "May the Memorialists be permitted to say, that it would be a strange anomaly in America to adopt a system which sound philosophy is exploding in Europe, to attempt a monopoly of the home market, and yet claim an entire freedom of commerce abroad; to stimulate our own manufactures to an unnatural growth by the exclusion of foreign manufactures, and yet to expect that no retaliating measures would be pursued by other nations."

The above is an extract from the Memorial of the inhabitants of Salem and its vicinity to which we have before adverted, and the following are the names of the very respectable committee who were chosen to prepare and forward it to Congress:

JOSEPH PEABODY,

JOSEPH WHITE,

BENJAMIN W. CROWNINSHIELD,

PICKERING DODGE,

WILLARD PEELE,

NATHANIEL HOOPER,

THOMAS STEVENS,

DUDLEY L. PICKMAN.

† "The commercial intercourse between the two countries, (Great Britain and the United States) is greater in magnitude and amount than between any other two nations on the globe. It is for all purposes of benefit or advantage to both, as precious, and in all probability, far more extensive, than if the parties were still constituent parts of one and the same nation."

The above is an extract from the President's last Message, and what a contrast is there again, between his enlarged and just views of our commerce with Great Britain, and the opinions entertained by the supporters of the prohibitory system? The following is an extract from Mr. Tibbit's Address, and furnishes another instance of that hostile feeling towards our foreign commerce, which we have remarked in the leading supporters of the "American System," and some examples of which have been exhibited in this section. "But it may possibly be the case," observes Mr. Tibbits, "that England before long will come out with a proposition to admit our bread-stuffs and provisions, our lumber, and every thing which we may think proper to send her, on condition that we continue to take her manufactured articles in return. If so, and the proposition should be accepted by our government, it ought to be looked upon as a great calamity." Again—"We want, in addition to the obstructions England throws in the way of importations, such further obstructions, raised by our government, as shall create the fullest confidence in manufacturing undertakings in this country." These are the sentiments of one of the most eminent and respectable advocates of the non-importation and non-exportation policy, an approved writer in defence of the restrictive policy, and a delegate of the Harrisburg Convention, and we apprehend most of our opponents concur in them. They appear to us, generally, to treat the question as if the entire destruction of our commerce, was essential to the accomplishment of their views.

suit the non-importation party, it would not repair the mischief we should suffer. We could not even retaliate upon that country the injury we should sustain, since the commerce which Great Britain has with us, bears a much less proportion to her whole trade, than the commerce we have with her, bears to ours. The amount of exports from Great Britain for the year ending 5th January, 1826, was 298,328,495 dollars, of which five-sixths was in British produce and manufactures; but of this vast sum, our imports for 1826 amounted only to 26,131,969 dollars. On the other hand, of all the domestic exports from the United States for 1825 and 1826, amounting to 120,000,455 dollars, there were shipped to Great Britain and her colonies, 66,215,286 dollars. We should, therefore, in a war of restrictions and prohibitions, be by far the greater sufferers. And so in regard to the navigation interest. Complaints have been urged against the trade with England,* because many of the importations were made into this country by British subjects, as if they had not a right to carry on all our import and export trade, if they find it for their interest to do it. It is not true, however, that they are extensively engaged in the trade, if we can judge from the official returns. The imports in foreign ships, in 1825, from England and her colonies, only amounted to about 6 per cent. and in 1826 to 9 per cent. There were, no doubt, some goods in American ships, but in that case, we had the benefit of transporting them, and commissions, &c. equal perhaps to the common profits of trade. The colonial trade, while it was open, was almost entirely in our hands, and employed 102,000 tons, or one-seventh of all the shipping we have engaged in foreign commerce.

It will be observed that the committee have confined their remarks upon the effects of the anti-commercial policy, to the trade with Great Britain, because of its importance, but it will occur to every intelligent reader, who is in the least familiar with the subject, that the same duties which exclude the fabrics and produce of Great Britain, will exclude similar articles from other parts of the world, so that eventually, we must have almost an entire cessation of commerce with some nations, and a great diminution in our trade with others, and we may perhaps have countervailing acts on their part, as well as on the part of Great Britain.

Our opponents treat the subject we are discussing, as if it was a mere question between the manufacturers and merchants, and that

* "It is not now a question between different American interests, but one between Americans and Englishmen. We see daily in the advertisements of our newspapers, that American importers are relinquishing business, and it is well known that about four-fifths of the woollens imported into the United States are on foreign account." Circular of the Boston Woollens Committee, Nov. 7th, 1826.

British importers of cotton at Liverpool, are also undersold by American competitors, but they do not, therefore, petition Parliament to destroy the American trade. The New England manufacturers undersell those of New York and Pennsylvania, and have ruined thousands by their competition, yet we should not think it wise in those states, if they had the power, to exclude our cheaper fabrics.

the latter were the only persons in the community disposed to resist their pretensions. It is true that their interests are more immediately affected, but we ask who are the merchants, but a portion of the community, filling however an important station from the relation in which they stand to the people at large, whose agents in fact they are? The merchant is then but the mere factor of the planter, farmer and citizens generally, employed in collecting and distributing those articles which are necessary for the existence, the comfort and enjoyment of man. The foreign merchant is employed in sending abroad the surplus productions of the soil, and receiving back such commodities as are wanted in return. It is in vain, therefore, for the party we are resisting, to single out this profession, and represent them as disconnected with the community at large, and having, therefore, no interest in common with them.

All classes depend on each other, and all must suffer by a system, which while it lowers the value of every man's earnings, enhances the cost of some of the first necessities of life.

That the merchant must suffer by a policy which will diminish, and in time almost annihilate foreign commerce, must be obvious to every mind, but perhaps there is no class of men who will more easily escape from its evils. If you drive him from the ocean, he will trade upon the land, and if he has wealth, he will join that favoured class, whose demands we are resisting.

* It is the planter and farmer whose interests will be most deeply injured by the system of restrictions; their comfort and almost their subsistence, depend mainly on the value of those surplus productions, which cannot be consumed at home, and must therefore be worthless, unless we can still resort to those extensive foreign markets, which will certainly be closed against us, if the "American System" should prevail.

There is one point connected with this question, which is of great importance, but having already extended this report much beyond the limits the committee had intended, we can only present it to the consideration of our readers, as a subject meriting their most serious consideration. We mean the effect which the non-importation system must have upon the revenue. Now it will occur to every man of the least reflection, that as we derive our revenue, (with the exception of about a million of dollars from the sale of lands) from the impost on foreign goods, that a system which excludes the most valuable of those importations, must lessen the revenue; but obvious and irresistible as such an inference must be to every impartial mind, our opponents contend, that among other extraordinary and valuable attributes of the "American System" is that of excluding foreign goods, *and at the same time increasing the revenue!* "We contend also,"

* "The tendency of the whole system, was to discourage our commerce with foreign nations, and by making returns more difficult, to sink yet lower the price of every article of our produce, could not be disguised." Lowndes' Speech on the Tariff, 1820.

say the Boston Woollens Committee, "that the increase of duty *will not impair the revenue of the United States.*" And Mr. Stewart of Pennsylvania who has published "so many strong facts," upon this question, observes in one of his speeches, "it had been alleged that this measure would greatly diminish the revenue. This he denied, and expressed the opinion, *that it would greatly improve the revenue.*"

We have already proved by official documents, that the effect of the existing high duties has been to diminish very much the importation of the two articles which afford more revenue than any of our foreign importations, and that the additional duties which our opponents contend for, would almost entirely exclude them. The revenue on the importations of cottons and woollens for 1825, could not have been less than \$6,000,000, and the committee believe it to have exceeded \$7,000,000.

Let us now look back and see what effect has already been produced on the revenue, by the operation of the protecting system. The high duty, or protecting system, went into operation in the summer of 1816, but as long credits are given on the duties, and as importations did not diminish till the importers had experienced from the dreadful losses they sustained, their inability to contend with the domestic manufacturers, the receipts at the treasury did not show the effects of the Tariff of 1816, till 18 months, or two years, after it was established.

From the statement of the sums paid into the treasury since 1815 from imports and tonnage, (extracted from a respectable journal) the committee find the amount in 1816, to be \$36,306,894; and for 1817, \$26,283,348; while in 1818, it declined to \$17,176,285; in 1821 it fell off to \$13,004,447. What is the revenue this year? It is stated in the President's Message, that the whole receipts at the Treasury for 1827, will not exceed \$21,400,000.

We ask then the most deluded supporter of the "American System," if this statement does not afford evidence of a decline in the revenue? We are aware that 1816 does not present a correct average of the revenue for ordinary years preceding the high duty system, because in 1814 and 1815 the importations were unusually large, but on the other hand it should be borne in mind, that we have since that period, added 4,000,000 to our population, and more than that proportion to our national wealth; it is, therefore, reasonable to conclude, that under a continuance of the duties which existed prior to the protecting system, we should at this time have had a revenue of \$35,000,000, instead of the actual revenue as estimated by the President, of \$21,400,000.

But can we maintain our revenue at its present value? We certainly cannot, if the views of our opponents are accomplished. We do not pretend to deny should even the Harrisburg Tariff be adopted, that we shall still have many articles of consumption, such as teas,

wines, pepper, sugars and silks, and even some fabrics of woollen and cotton not yet attempted by our manufacturers, all of which will afford revenue. Suppose then we admit that the revenue will not decline below \$12,000,000, how, we would ask, is the difference between that sum and \$22,300,000 (our present expenditure) to be obtained? And still further, how are those large sums, which the same party propose to expend in canals and rail roads for the accommodation of their establishments, and to evince their patriotism, to be raised? What source of taxation can we resort to, to supply the loss of the \$10,000,000? Why, the same men who would destroy our foreign trade have found a remedy for one of the evils which will result from the "American System." We can, says Mr. Stewart have an excise!* Yes, we can, and must have an excise and a land tax of \$12,000,000 or \$15,000,000 to bring \$10,000,000 into the treasury, to accommodate those who will profit by the "American System." But who will pay this tax? Will it be the capitalist and the rich manufacturer, the merchant, and other wealthy classes of the community who now pay much of it on articles of foreign consumption? Yes, they will certainly pay some portion of it, but the heaviest part of the burden *will fall upon the cultivator of the soil*, whose expenses are enhanced, and produce lowered, by this very system for the support of which he is so heavily taxed.

The Committee have now terminated their proposed examination of the leading positions, on which the advocates of the restrictive policy appear to us, to rest for their support.

They are sensible, that some of the details they have gone through, will be tedious to all, and may seem superfluous to many, but they appeared to them to have an important bearing on the question we are discussing, and every one will acknowledge, that pages are often necessary to detect a fallacy, or refute a misrepresentation, which a few lines only might embrace.

The statements and arguments we have been answering, are selected from the speeches and publications of the most respectable and

* "Gentlemen dread an excise: and why was an excise more terrible than an impost? Were they not alike a tax upon consumption? The only difference was, that the impost was paid on the consumption of foreign productions, and the excise was paid on the consumption of *our own*. Besides, an excise would have the valuable and important effect of leading to economy in public expenditures, and checking all kinds of extravagance."

This committee do not agree with Mr. S. in his views of an excise tax. There are many objections to it, in comparison with an impost on foreign goods, as a means of raising money. It is a very expensive way of raising revenue, at least 5 times as much so, as on foreign goods. It is also a very obnoxious mode of taxation, and in some sections, it has been found to be almost or entirely *an impracticable one*. The history of the very respectable state Mr. S. represents, will verify these assertions. As to a land tax, it is a very unequal one in its operation. The owner of a farm, who has nothing to depend upon but his labour, must pay the same rate per each acre, that his rich neighbour does, who may have \$10,000 at interest. It resembles in this respect the proposed woollens tax, which falls the heaviest on those who have the least means of bearing it, and such we believe will be the general effect of the "American System."

intelligent advocates of the new system, and if the committee have succeeded in refuting them, we can assure our readers, it has nothing more to rely on for its support.

No one in this community can fail to remark, in the opinions we have presented them, of some of the most influential and able advocates of the new policy, the entire abandonment of those sound principles which have been long entertained in this quarter, upon the subject we have been discussing, and which till within a very short period, numbered among their zealous supporters, some who are now the most active in promoting the "American System."

There is, however, another circumstance still more striking, which is the utter destitution of every thing like correctness in the statements, or soundness in the reasonings of those with whom we are contending. They argue on wrong assumptions, and draw from them conclusions which would be false, even if their premises were not so.

That there is no want of talent or ingenuity among the party we are opposing, we all know; what then, is the reason, when they come forward with demands of the most extraordinary character which were ever made upon a free and enlightened nation, and for the promotion of objects which they deem of vital importance to their personal interests, that they have not furnished in support of those demands, any thing which merits the name of argument? *We say, they have nothing to offer!*

The principles which are summoned to the aid of the new policy, are all at variance with the just and enlightened sentiments which prevail in this nation.*

The claims of our opponents, with however much earnestness and plausibility they may be urged, have nothing to rest on, but fallacies and misrepresentations; and if they succeed, it must be by deluding the nation into a course of measures, which will be productive of the most destructive consequences.

In despair of finding any arguments, the advocates for restriction would sustain themselves by authorities, but there is not one, we have seen cited, that has not been either perverted from its true meaning, or on examination found to be in direct opposition to their views. In truth there are no authorities living or dead, to which they can refer for support, unless they recur, as they sometimes do, to those unenlightened ages when the principles they advocate originated.

There are indeed some men engaged in the cause we are resisting, who would send us back five hundred years, to learn the *true principles of regulating our commercial policy*, and it would be equally wise, were we influenced by their advice, to adopt at the same time,

* "In short, sir, the general sense of this age sets, with a strong current, in favour of freedom of commercial intercourse, and unrestrained individual action. Men yield up their notions of monopoly and restriction, as they yield up other prejudices, slowly and reluctantly; but they cannot withstand the general tide of opinion."—Mr. Webster's Speech on the Tariff.

the principles of civil liberty which then prevailed, or to transfer to this country, the arts of making cotton and woollen goods, as practised by our venerable ancestors.

The practical advantages of the enlightened principles which now prevail in regard to the subject of this discussion, over the restrictive systems of those ages, are as obvious and as great, as the manufacturing arts of modern times, are superior to those which existed five centuries ago. This is a truth, which no nation on earth ought to be more sensible of, than the people of this country, because no nation ever prospered in the same degree we have, since the establishment of our independence, and to what other causes we would ask, can this prosperity be attributed, so much as to the influence of those just and liberal principles, on which our institutions are founded?

Again, the supporters of the restrictive policy refer us to the examples of other nations, of Germany, Italy, Holland, France and Russia,* who they say, are acting upon the principles of the "American System."

But the conduct of those nations ought not to reconcile us to principles which are manifestly unjust, nor to the expediency of our adopting them, nor does it even shew that those principles are approved of, where they are acted upon. These unjust restraints upon the occupations of men, were not of their creation; they are among the evil institutions which descended to them from their forefathers, and though suffering under their influence, they have not, as yet, found courage or strength enough, to throw them off.

The nations they refer to, are governed also by emperors and

* "France under her restored monarchy adheres to the same system. She found herself entangled in one commercial treaty with Great Britain, and would not be allowed into a renovation of a compact, by her regarded as injurious in its operation. *Russia*, also, for a short period, manifested symptoms of good will to the liberal school, but soon repented and returned to her old system. In Germany, Italy, Holland, and every other commercial European state, duties, bounties, drawbacks and restrictions, are the order of the day."—Otis' Speech at the Boston Woollens Convention.

Notwithstanding this condemnation of the doctrines of the liberal school, Mr. Otis still admits the correctness of their principles, and that is all we are contending for. "It is very well known" says Mr. Otis in his speech, "that speculative writers have espoused very opposite theories. One class supports the restrictive system, which is founded on duties, prohibitions, and monopolies; and even upon bounties. Their opponents contend for the liberal system. This leaves individuals and capital to seek out their own channels of employment, without the interposition of government. There could be no doubt but the latter system was the most attractive; and he believed that its fundamental principles and theories were correct. He was a disciple of that school and had been educated in its faith and tenets. But it was rare that abstract and elementary principles furnished unerring rules of conduct for the practical statesman." Here we have an acknowledgment from one of the most sensible advocates of the "American System," that the theories we are contending for, are correct. As to their impracticability, it is too late to find many believers in that doctrine, since we have been acting upon them ever since we existed as a nation, and it is the successful operation of them in this country, which has hastened the adoption of them in Great Britain and elsewhere. But what is the alternative if we abandon the liberal system? Why, we must adopt the restrictive system, which Mr. Otis himself says, "is founded on duties, prohibitions, and monopolies; and even upon bounties." It is then for the people of this country to say, whether they will adhere to the wise and just system we have so long flourished under, or adopt the one now recommended to us, of bounties, monopolies, and prohibitions.

kings, and although considered as blessings, in the countries over which they rule, we do not think it necessary or expedient to import them, for the improvement of our civil institutions.

It is not true, however, that all, or even most of the commercial nations in Europe, act upon the unjust and illiberal principles, which are recommended for our adoption. Germany, Italy, and Holland, with the exception of some of the most inconsiderable states, included under those terms, *are acting upon the free trade system*. In some of those countries, the import and export duties are barely sufficient to pay for their collection, and in the others, they are generally, and upon the average, much less than those which are imposed on this *free nation*.

France, we admit, is most unhappily compelled from causes to which we have before adverted, *and against the opinions of her wisest economists and statesmen*, to adhere to the prohibitory system, and its fatal effects are exhibited in the limited trade she has with the first commercial nation in the world, less as we have before observed, than we enjoy, with an island containing a fiftieth part of the population of France, and not one hundredth part of her means of consumption.

The whole export and import trade between France and Great Britain, in 1825, (one of the most active and speculative years we ever had,) amounted to only 14,574,692 dollars. What it would have been, had the two nations made those exchanges, which their welfare and happiness require, no one can say; but considering the great population, their enterprize, skill and industry, and the means they have of consuming all the comforts and luxuries of life, as well as their vicinity and diversity of productions, there can be no question, they would, under a liberal system, have a commerce ten times more extensive and advantageous, than they now enjoy.

And what is the amount of the trade between France and the next greatest commercial nation—we mean the United States? Our official returns, give an aggregate amount of domestic exports to France and her colonies, for 1825 and 1826, of 18,717,827 dollars, while to Great Britain and her colonies, (*where our opponents say, the products of our soil are not freely admitted,*) we exported the same years 66,215,286 dollars. The exports to France the two preceding years, were still less than of the two we have given.

Can the advocates of restriction, find any encouragement in these comparisons, between the practical results of the principles they advocate, and the free trade system?

We are referred also, by the advocates of the American System, to Russia—a country just emerging from a state of barbarism, and which has hardly yet taken rank with the civilized nations of the world, *for the principles of our new commercial code*.

Let us then see what has been the effect of her wise system, which we are called upon to adopt, upon our commercial relations with her.

In the official returns, the committee find the amount of domestic produce exported to Russia in 1826, was 16,604 dollars.

This is the encouragement afforded to our domestic labour and capital, by a nation of 40,000,000 people, and praised by one of the most intelligent of our opponents, "for repenting of the lessons she had taken in the liberal school, and for having returned to the old system."

It is asserted by some of the supporters of the restrictive policy, that "*Great Britain has abandoned the free trade system.*"

That Great Britain still retains some of the restrictions which were entailed upon her, by acts of legislation of some hundred years standing (but which no statesman within the last half century of any reputation has pretended to defend) we have already admitted. But it cannot be denied, that she admits our staples on much more favourable terms than we do hers; and with regard to the only article of much importance which she now excludes, there can be no question her laws will soon be so modified, as to create a more extensive demand for it, than is afforded by all the other markets, on which we now depend for the sale of that valuable staple.

As to that particular point which involves the principle we are discussing, we give the following extract of a speech of Mr. Huskisson's in 1825, which embraces the views of the whole administration, and of the most intelligent and influential portion of the English nation.

"The result of the alterations, which I have now stated to the committee will be this; that upon foreign manufactured articles generally, where the duty is imposed to *protect our own manufactures*, and not for the purpose of collecting revenue, that **THE DUTY WILL IN NO INSTANCE EXCEED 30 PER CENT.** If the article be not manufactured much cheaper or much better abroad than at home, *such a duty is ample for protection.* If it be manufactured so much cheaper, or so much better abroad, as to render 30 per cent insufficient, my answer is, first, *that a greater protection is only a premium to the smuggler*; and secondly, *that there is no wisdom in attempting to bolster up a competition, which this degree of protection will not sustain.*"

These are not the mere speculative, *but the operative, governing opinions* of the statesman who has taken the lead in those useful reforms in the British commercial policy, to which we have before adverted, and in accordance with these views, he substituted for a prohibition on silks, a duty of 30 per cent. When this act was passed, it was considered by the British manufacturers, that they should be undersold by the French, and the measure excited the most violent clamour among those who had so long profited by the monopoly; still he would not yield to their complaints, and the duty now stands at what is considered in England, a fair protecting rate.

Now this duty, enables the British merchant to import silks at 35 per cent, which is all the protection which the English manufacturers

have against the fabrics of France, while our woollen manufacturers are guarded against foreign competition, with charges amounting to 57 per cent, yet they complain that our government do not give them the protection which British manufacturers enjoy.

But it is contended by some of the apologists of the "American System," that although its immediate effects may be injurious, that eventually, advantages will result from it. To our minds, there is no such cheering prospect in view ; but if there was, would it be wise, would it be just, to subject this nation to an immediate and certain injury, for a future and contingent good ?

In the schemes of our opponents, every thing is prospective but the evils they will bring upon us ; these are certain, immediate, and interminable ; while the benefits we may derive from their policy, are uncertain, remote, and improbable.

Again ; the men who claim exclusive privileges, appeal to our national pride and our love of independence, as motives which should induce us to aid them in the unjust and violent measures they propose, as if it was possible for a sentiment of so elevated and generous a nature, to mingle with the views of men who appear to be governed by the most selfish desires. The restrictive policy, say they, will promote our national dignity, security, and independence ; while on the other hand, we contend that consequences directly the reverse of these will be among its bad effects. It will promote nothing, but the political and pecuniary interests of those, who organized the system.

But we are told it is patriotic to support the exclusive system ! If it is patriotic to support systems, which go to the destruction of individual rights, and the general welfare ; to transfer property from millions for the benefit of hundreds ; to put such restraints upon the occupations of men as would deprive them of half their earnings ; to plant the seeds of discord through every quarter of the Union ; to create sectional prejudices, sectional hatreds and sectional wrongs ; to disturb our social relations at home and our peaceful relations abroad ; and finally, to destroy our confidence in the government and constitution under which we live ; then is patriotism one of those blessings which will require the spirit of martyrdom to endure—one of those virtues, that will be the ruin of our country.

But it is an American system, and must, therefore, be encouraged ! It is not an American system ; the term is not descriptive of the thing. It is a foreign system—the vitiated parts of a foreign system, which cannot be incorporated into our youthful and healthy constitution. It is a system, which cannot be established, or if established, cannot be endured.

Before the committee close this report, they would again advert to the object they have in view. They beg leave to remind the reader, that there is no question between us and those against whom we are contending, as to the advantages of manufactures to this country, nor whether it is desirable that all just and proper measures should be used

for their extension and success. On these points there is no difference of opinion, and this committee yield not to the most zealous of the manufacturers themselves, in their earnest and unfeigned desire, to see this branch of industry flourish in common with all others. The committee have no prejudices against manufacturing generally, nor any branches of it.

What then, it may be asked, is the object of the report? Is it to create hostility to the manufacturers? Certainly not! Nothing can be more remote from the intentions or wishes of this committee, and they have been most unfortunate in their expressions, if any fair and impartial mind can suspect them of such a motive.

Who are the manufacturers, but our fellow citizens, our acquaintances, our friends, and our relations? Can the interests of a class who employ so much of the labour and capital of this town, vicinity and state, suffer without involving every one in their losses? Are we not, then, bound to them by the ties of good will, of friendship, and of interest? How, then, can we be hostile, or even indifferent to their welfare? It would, indeed, be most uncandid and still more unreasonable, for any one to imagine that we could have been influenced by any other motive than a desire to do what little we can, in resisting—not manufacturers, but the principles some of them advocate, and which we think adverse, not only to all the other great interests of the country, but to the manufacturers themselves.

As a class of men, we consider the manufacturers as contributing their full share to the public welfare, and we desire to see them prosper; but that their prosperity may rest upon that economy, skill, and industry, which they have generally exhibited in their concerns, and not on an artificial and forced system of laws and regulations, unjust and onerous to the nation, and which, if it can be established, must sooner or later be abandoned; not, however, without leaving behind, on the part of the nation at large, feelings of disgust and aversion, not only towards manufacturers, but to the sections in which they prevail.

This is not a mere sectional and pecuniary question, which should turn upon the point of our making a little more or less profit by any particular branches of business. It involves considerations of a much higher nature, though even upon that score, we have no doubts whatever, that the manufacturers themselves, would very generally be sufferers by any further extension of duties, since the existing rates are sufficient for their purposes, and any increase, would only serve to bring an odium upon them, which all must be desirous to avoid. But if it could be proved, that the proposed measures would benefit not only the manufacturing, but all the other great interests of the manufacturing states, then we should say, it was a question of morals, and should still contend, that it was both inexpedient and unjust to support a system, which, however advantageous to us, would be injurious to the rest of the nation.

The views which the committee take of this subject, have been maintained and are still maintained, by many of the most intelligent manufacturers themselves, and we think it is only necessary for others to have a clear perception of their interests, to unite in our opinions. We entreat, then, those who may still differ from us, to examine the question, to look at it with that impartiality, *with that enlightened selfishness*, which they evince in the common affairs of life, and we apprehend they will arrive at the same conclusions which other manufacturers have done, who have as deep an interest at a stake as themselves, and are equally desirous of promoting it.

In conclusion, we say, the system we are opposing, is not patriotic, is not American. Disguise it under what names you will, it is still a system founded on error and injustice. It is a system in which there are principles at work, that will first weaken, and finally break—those social, moral and political ties—which bind this union together. We call then upon the farmer—the merchant—the mechanic—the navigator—the labourer—the citizens at large—upon every one who feels an interest in the welfare of his country—and above all, upon the prudent, just, and enlightened manufacturer—to join us in resisting it.

It has frequently been stated in this report, that the duty of 38 per cent. on woollens, imposed a tax of \$23,940,000 on the consumers. The reader must have noticed, how we arrived at that result. The manufacturers have at this moment a duty of 38 per cent.; they demanded last year 80 per cent., and now call for 57 1-2 to 281 per cent. We therefore assumed 38 per cent. as the basis of our calculation. But it is contended, that we admit the inaccuracy of our own estimate, by having before proved, that we manufactured a large proportion of all the woollens we consumed, under a much lower rate. Now if our opponents admit this to be true, then, they acknowledge, *that even the existing rates of duty are too high*, and of course they cannot sustain their claims for additional duties.

But it is the effect of high duties to enhance the prices of all goods made at home, as well as the imported, whether the quantity of the latter be more or less. This is the ground taken by Mr. Everett, and all the advocates for increased duties on woollens. In the case of imported wool, they consider the duty *as enhancing the cost of all the wool used in the United States*. "It is no answer" says Mr. Davis, "to this view of the subject, to say that a large portion of the wool used here, is purchased of our farmers; *for as long as wool is imported, the foreign wool will regulate the price*, and when American wool of equal quality falls below it, importations will cease."

If then 80 or 120 per cent. is considered by the manufacturers as necessary to keep foreign woollens out of our market, they cannot, without great inconsistency, complain that in estimating the bounty they enjoy at 38 per cent. we have taken too high a rate.